

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2004-_____-C

IN RE:

Petition of Evercom Systems, Inc. for a)
declaratory order interpreting the scope of)
authority set forth in its Certificates of)
Public Convenience and Necessity and for)
approval *nunc pro tunc* of revisions to its)
existing inmate telecommunications services)
tariff or in the alternative, application to)
amend its Certificates of Public Convenience)
and Necessity enlarging its operating)
authority and approval *nunc pro tunc* of)
revisions to its existing inmate)
telecommunications services tariff.)
_____)

**PETITION FOR A DECLARATORY
ORDER AND FOR APPROVAL *NUNC
PRO TUNC* OF REVISIONS TO ITS
EXISTING TARIFF OR IN THE
ALTERNATIVE, APPLICATION TO
AMEND CERTIFICATES OF PUBLIC
CONVENIENCE AND NECESSITY
AND APPROVAL *NUNC PRO TUNC*
OF REVISIONS TO ITS EXISTING
TARIFF**

Evercom Systems, Inc. ("Evercom" or "Company") hereby files with the South Carolina Public Service Commission ("Commission") the within petition, pursuant to 26 S.C. Code Ann. Reg. 103-603; 103-605 (1976); 103-834 (Supp. 2003); and 103-836(A)(2) (1976), seeking (i) a declaratory order interpreting the scope of authority set forth in its Certificates of Public Convenience and Necessity and (ii) approval *nunc pro tunc* of revisions to its existing, Commission approved inmate telecommunications services tariff. In regard to Evercom's request that the Commission declare the scope of its operating authority, Evercom specifically seeks an order declaring that the authority granted Evercom in its Certificates of Public

Convenience and Necessity includes, among other telecommunication services, the authority to offer debit services to confinement facilities in South Carolina.¹

Alternatively, in the event the Commission concludes that Evercom's Certificates of Public Convenience and Necessity do not include authority to offer debit services to confinement facilities in South Carolina, Evercom hereby applies, pursuant to S.C. Code Ann. § 58-9-280 (Supp. 2003) and 26 S.C. Code Ann. Reg. 103-834 (Supp. 2003), to amend its Certificates of Public Convenience and Necessity enlarging its operating authority to permit Evercom to offer all forms of debit services to confinement facilities in South Carolina and/or inmates confined therein and to approve *nunc pro tunc* revisions to its existing, Commission approved inmate telecommunications services tariff.

In support of the foregoing, Evercom would respectfully show as follows:

I. INTRODUCTION

1. Evercom is a foreign corporation organized and existing under the laws of the State of Delaware. Further, Evercom possesses a certificate of authority as issued by the South Carolina Secretary of State authorizing Evercom to transact business within the State of South Carolina. A copy of Evercom's Certificate of Authorization is attached hereto as Exhibit A.

2. Evercom is a telephone utility as defined by S.C. Code Ann. § 58-9-10 (1976) and currently provides inmate telecommunications services to confinement facilities in South Carolina under the provisions of Chapter 9 of Title 58 of the South Carolina Code. Accordingly, Evercom is subject to the jurisdiction of the Commission.

¹ The only telecommunication services at issue herein are the debit services that Evercom provides to confinement facilities.

3. Evercom's authorized representative, its legal name, and its principal business office address are as follows:

Colleen A. Dziuban
Director – Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

4. Evercom's attorneys in this proceeding are as follows:

Mitchell Willoughby
K. Chad Burgess
Willoughby & Hoefer, P.A.
PO Box 8416
Columbia, South Carolina 29202-8416
(803) 252-3300

All correspondence and any other matters of any kind relative to this proceeding should be addressed to Evercom's attorneys as stated herein.

II. SUMMARY OF BACKGROUND²

5. Evercom traces its heritage and history to three (3) companies, namely (i) Coin Telephones, Inc. ("Coin Telephones"), (ii) AmeriTel Payphones, Inc. ("AmeriTel"), and (iii) Talton Invision, Inc. ("Talton Invision").

6. In 1991, the Commission granted Coin Telephones a Certificate of Public Convenience and Necessity "[f]or the provision of "0+" interLATA, intraLATA and local

² Over the years, Evercom has merged with other corporations, changed its corporate name, transferred operating authorities, and acquired corporations with existing operating authorities. Each corporate merger, acquisition, name change or transfer of authority received the necessary review and approval of the Commission. Attached hereto as Exhibit B is a diagram graphically depicting the sequence of events as described in this summary. A more detailed description of Evercom's background and corporate history is set forth in Section III herein.

automated collect calls from confinement facilities only.” *See* Order No. 91-122 at p.15, a copy of which is attached hereto as Exhibit C.

7. In 1993, Coin Telephones, with Commission approval, transferred its Certificate of Public Convenience and Necessity issued pursuant to Order No. 91-122 to Talton Carolina, Inc. (“Talton Carolina”). Later that same year, Talton Carolina changed its name to Coin Telephones, and then in 1995 Coin Telephones changed its name to Talton Telecommunications of Carolina, Inc. (“Talton Telecommunications”) – an operating subsidiary of Talton Invision.³ With each name change, the Certificate of Public Convenience and Necessity issued pursuant to Order No. 91-122 was transferred accordingly.

8. In 1996, AmeriTel filed a petition seeking a certificate of public convenience and necessity to provide collect call services, using store and forward technology, to inmates in institutional facilities. During the pendency of its petition, AmeriTel was acquired by Talton Holdings and began operating as a wholly-owned subsidiary of Talton Holdings. In 1997, the Commission granted AmeriTel a Certificate of Public Convenience and Necessity “[t]o provide collect-only call capability for inmate and operator services to confinement facilities in South Carolina, using automated Company owned telephones.” *See* Order No. 97-53 at p.3, a copy of which is attached hereto as Exhibit D.

9. In 1998, Talton Invision sought and received a Certificate of Public Convenience and Necessity authorizing it “[t]o provide inmate telecommunications services to jails and confinement facilities located in South Carolina.” *See* Order No. 98-265 at p.6, a copy of which is attached hereto as Exhibit E. Later that same year, Talton Telecommunications and AmeriTel merged with and into Talton Invision, which subsequently changed its name to Evercom. As a

³ Talton Invision was a wholly-owned subsidiary of Talton Holdings, Inc. (“Talton Holdings”). Talton Holdings is now known as Evercom, Inc.

result of the merger, Evercom acquired the Certificates of Public Convenience and Necessity held by Talton Telecommunications and AmeriTel. In sum, today Evercom holds three (3) Certificates of Public Convenience and Necessity issued by the Commission, and these certificates are attached hereto as Exhibits C, D, and E.

III. DETAIL STATEMENT OF BACKGROUND

a. Certification of Coin Telephones, Inc.

10. In or about February 1990, the Commission established Docket No. 90-305-C in which Southern Bell Telephone and Telegraph ("Southern Bell") sought approval of revisions to its access services tariff which would have allowed Southern Bell to provide billing and collection service for interLATA calls to clearinghouse agents for calls placed on behalf of a properly certified Customer Owned Coin-Operated Telephone ("COCOT") provider. Coin Telephones, Pay-Tel Communications, Inc. ("Pay-Tel"), and Intellical – all of which were COCOTs serving confinement facilities – filed a joint petition to intervene, which was granted by the Commission.

11. In or about April 1990, however, Southern Bell requested that the Commission allow it to withdraw its proposed tariff revisions. By Commission Order No. 90-505, the Commission granted Southern Bell's request; however, the Commission found that Coin Telephones, Pay-Tel, and Intellical had raised certain issues related to COCOT providers that required addressing.

12. In or about June 1990, the Commission held a hearing and by Commission Order No. 90-663, the Commission found, among other things, that COCOT providers serving confinement facilities did not have the authority to provide "0+" collect, local and intraLATA calling. Consequently, the Commission determined that a new proceeding should be initiated in

order to consider whether COCOT providers serving confinement facilities should be required to obtain a certificate of public convenience and necessity. The Commission also ruled in Order No. 90-663 that if COCOT providers were required to obtain a certificate of public convenience and necessity to serve confinement facilities, then the new proceeding would also serve as a certification proceeding for Coin Telephones, Pay-Tel, and Intellical.

13. A hearing in the new proceeding was held on or about December 12, 1990. Following the hearing, the Commission issued Order No. 91-122 dated March 4, 1991, determining, among other things, that a COCOT provider wishing to provide "0+" interLATA, intraLATA and local automated collect calls utilizing store and forward technology to confinement facilities was required to file an application with the Commission requesting certification. In light of this requirement, the Commission granted Coin Telephones, Pay-Tel, and Intellical each a certificate of public convenience and necessity "[f]or the provision of "0+" interLATA, intraLATA and local automated collect calls from confinement facilities only." See Exhibit C at p.15.

b. Coin Telephones transfers its certificate of public convenience and necessity.

14. Talton Carolina was a privately-held corporation incorporated in the State of Alabama, and provided inmate telephone services exclusively through the use of automated, collect-only store and forward technology.

15. In or about June 1993, Talton Carolina and Coin Telephones filed a joint petition with the Commission requesting permission to transfer Coin Telephones' COCOT authority along with its authority to provide automated collect-only local, intraLATA, and interLATA inmate telephone service to Talton Carolina. By Commission Order No. 93-597, the Commission approved the transfer of operating authority to Talton Carolina.

16. Shortly thereafter, in or about September 1993, Talton Carolina requested approval from the Commission to change its name to Coin Telephones. Talton Carolina also requested that the Commission amend its records to reflect that the authority transferred to Talton Carolina under Order No. 93-597 was now held in the name of Coin Telephones. By Commission Order No. 93-929, the Commission approved the name change and amended its records accordingly.

17. In or about December 1994, Coin Telephones requested approval from the Commission to (i) change its name to Talton Telecommunications and (ii) transfer all of its COCOT operating authorities to Talton Telecommunications. By Commission Order No. 95-68, the Commission approved both requests.

c. Certification of AmeriTel Payphones, Inc.

18. AmeriTel was a foreign corporation organized and existing under the laws of the State of Missouri and provided inmate telecommunication services in several states, but not in South Carolina.

19. In or about July 1996, AmeriTel filed an application with the Commission seeking a certificate of public convenience and necessity to provide collect call services, using store and forward technology, to inmates in institutional facilities, such as jails, prisons, correction facilities, penal facilities, as well as a variety of operator services to the portion of the public that uses a company pay phone in the public lobbies at such institutional facilities located within South Carolina.

20. While awaiting the Commission's decision concerning its application, AmeriTel was acquired by Talton Holdings. Consequently, AmeriTel became a wholly-owned subsidiary

of Talton Holdings but continued to provide inmate telecommunications services under the name AmeriTel.

21. By Commission Order No. 97-53 dated January 17, 1997, the Commission granted AmeriTel a certificate of public convenience and necessity “[t]o provide collect-only call capability for inmate and operator services to confinement facilities in South Carolina, using automated Company owned telephones.” *See* Exhibit D at p.3.

d. Certification of Talton Invision, Inc.

22. Talton Invision was a foreign corporation organized and existing under the laws of the State of Delaware. Like AmeriTel, Talton Invision was a wholly-owned subsidiary of Talton Holdings.

23. In or about 1997, Talton Invision, pursuant to an asset purchase agreement, acquired the assets of Invision Telecom, Inc. (“Invision”), which was a certificated long distance reseller doing business in South Carolina.

24. In or about October 1997, Talton Invision, filed an application with the Commission seeking (i) approval of an asset transfer from Invision to Talton Invision and (ii) a certificate of public convenience and necessity pursuant to which Talton Invision would continue to operate the purchased assets as a provider of inmate pay telephone service and related services to jail facilities in South Carolina.

25. By Commission Order No. 98-265 dated April 13, 1998, the Commission (i) approved the asset transfer to Talton Invision and (ii) granted Talton Invision a Certificate of Public Convenience and Necessity authorizing it “[t]o provide inmate telecommunications services to jails and confinement facilities located in South Carolina.” *See* Exhibit E at p.6.

e. Merger of Talton Telecommunications and AmeriTel into Talton Invision

26. In or about September 1998, Talton Telecommunications, along with AmeriTel and certain other companies entered into a merger agreement with Talton Invision in which Talton Telecommunications, AmeriTel and the certain other companies would merge with and into Talton Invision effective as of December 31, 1998.

27. Prior to the effective date of the merger, however, Talton Invision and AmeriTel filed an application seeking (i) approval of the merger agreement and (ii) approval for Talton Invision to change its name to Evercom. Additionally, Talton Invision informed the Commission that if the Commission approved its requests, then Talton Invision would file a new tariff to reflect the merger and name change.

28. By Commission Order No. 98-818 dated October 26, 1998, the Commission granted Talton Invision's request to change its name to Evercom Systems, Inc; however, the Commission did not rule on Talton Invision's request to approve the merger because Commission approval was not necessary under South Carolina law for a stock-based merger, as opposed to a sale of assets, which does require Commission approval.

29. Following its approval of the name change, the Commission approved for filing Evercom's inmate telecommunications services tariff ("Evercom Tariff") on or about December 8, 1998. A copy of the Evercom Tariff currently on file with and approved by the Commission is attached hereto as Exhibit F. When the name change was approved, the evolution of the Company that was then called Evercom was complete, and its operating authority in South Carolina on and after December 8, 1998, included the following: "[t]o provide inmate telecommunications services to jails and confinement facilities located in South Carolina." See Exhibit E at p.6.

f. Revisions made to the Evercom Tariff to include debit services

30. In or about May 2000, the legal department at Evercom believed it had submitted to the Commission proposed revisions to the Evercom Tariff, requesting approval of (i) a provision authorizing Evercom to provide debit services to confinement facilities in South Carolina, (ii) the rates associated with Evercom's debit services and (iii) certain definitions associated with Evercom's debit services. A copy of the proposed revisions as believed submitted to the Commission for approval is attached hereto as Exhibit G.

31. Pursuant to its proposed debit services provision, Evercom sought to introduce two, distinct types of debit services: (i) Inmate Debit Account Service and (ii) Debit Card Service. Generally, Evercom's Inmate Debit Account Service and Debit Card Service allow an inmate to place a telephone call from within a confinement facility without requiring the inmate to call collect; thus the called party does not pay for the call placed by the inmate. Evercom's Inmate Debit Account Service and its Debit Card Service are more fully described in Exhibit H attached hereto.

32. Believing that the Commission had approved Evercom's proposed revisions to provide debit services to confinement institutions, Evercom began providing debit services to confinement facilities in South Carolina in or about July 2001. Currently, Evercom provides debit services to ten (10) confinement facilities in South Carolina.

33. In or about October 2001, Evercom submitted another proposed revision to its tariff ("Second Revision"). Under the Second Revision, Evercom sought Commission approval to include a provision in its tariff allowing Evercom to offer a service known as SmartConnect. The SmartConnect provision was designated as Section 8 and was included on the same tariff page as Evercom's debit services provision. A copy of the Second Revision to the Evercom

Tariff showing the proposed SmartConnect provision and Evercom's debit services provision is attached hereto as Exhibit I.

34. When Evercom submits a proposed revision to its tariff, it places the letter "N" in the right margin to identify the proposal as being a new provision added to its tariff. In 2001, when Evercom submitted its Second Revision for Commission approval, Evercom placed the letter "N" in the right margin to show that the SmartConnect provision was a new provision that Evercom sought to add to its tariff.

35. There is no letter designation in the right margin next to the tariff provision for debit services. Why? Because, when Evercom submitted the Second Revision, it believed that the Commission had already approved Evercom's tariff provision for debit services.

36. In or about November 2001, Evercom withdrew the Second Revision to the Evercom Tariff. Consequently, Evercom deleted the SmartConnect provision from its internal version of the Evercom Tariff. In doing so, however, Evercom also inadvertently deleted the provision addressing the rates for debit services from its internal version of the Evercom Tariff.

37. In or about February 2003, Evercom experienced personnel changes in its legal department, resulting in the hiring of a new Director of Governmental Affairs. Under the supervision of its new Director of Governmental Affairs, Evercom conducted a comprehensive review of its tariffs, including its South Carolina tariff.

38. During the review of its South Carolina tariff, Evercom detected that the provision addressing Evercom's rates for debit services had been inadvertently deleted at the time Evercom withdrew its Second Revision.

39. Consequently, in or about May 2004, Evercom submitted proposed revisions to the Evercom Tariff for Commission approval. Because Evercom believed, according to its

internal records, that the Commission had already approved provisions to the Evercom Tariff addressing Evercom's debit services, the tariff revisions prepared by Evercom and submitted to the Commission for approval sought only to (i) correct miscellaneous text, (ii) add a provision addressing contract services, and (iii) re-insert the rates concerning Evercom's debit services. A copy of the proposed tariff revisions as prepared by Evercom and submitted to the Commission for approval is attached hereto as Exhibit J.

40. After reviewing the proposed revisions to the Evercom Tariff, the Commission Staff contacted Evercom and expressed concern as to whether Evercom's Certificate of Public Convenience and Necessity included authority permitting the Company to provide debit services to confinement facilities in South Carolina. Moreover, the Commission Staff informed Evercom that the Evercom Tariff on file with the Commission did not provide for debit services.

41. Following the Commission Staff's contact with Evercom's Director of Governmental Affairs, the Commission Staff met with counsel for Evercom to discuss the scope of Evercom's operating authority and the operative tariff of record with the Commission. Based upon that meeting, it was agreed that Evercom would file this petition seeking clarification of these matters.

IV. PETITION FOR A DECLARATORY ORDER

42. Each and every relevant and consistent allegation of the foregoing paragraphs is incorporated and included herein as fully as if repeated verbatim.

43. As a result of the merger discussed above in Section III(e), Evercom presently holds three (3) Certificates of Public Convenience and Necessity, which allow Evercom to provide inmate telecommunications services in South Carolina. More specifically, Evercom holds Certificates of Public Convenience and Necessity originally issued to (i) Coin Telephones

by Commission Order No. 91-122, (ii) AmeriTel by Commission Order No. 97-53, and (iii) Talton Invision by Commission Order No. 98-265.

44. Pursuant to Commission Order No. 91-122 Evercom has authority “[f]or the provision of “0+” interLATA, intraLATA and local automated collect calls from confinement facilities only.” *See* Exhibit C at p.15.

45. Pursuant to Commission Order No. 97-53, Evercom has authority “[t]o provide collect-only call capability for inmate and operator services to confinement facilities in South Carolina, using automated Company owned telephones.” *See* Exhibit D at p.3.

46. Pursuant to Commission Order No. 98-265 Evercom has authority to “[t]o provide inmate telecommunications services to jails and confinement facilities located in South Carolina.” *See* Exhibit E at p.6.

47. In this proceeding, Evercom seeks a declaratory order interpreting the scope of authority set forth in its Certificates of Public Convenience and Necessity. More specifically, Evercom seeks a declaratory order from the Commission declaring that the authority granted Evercom in its Certificates of Public Convenience and Necessity includes, among other telecommunication services, authority to offer debit services to confinement facilities in South Carolina.

48. Based upon the authorities granted Evercom in its Certificates of Public Convenience and Necessity, Evercom is informed and believes that its Certificates of Public Convenience and Necessity includes authority for Evercom to provide debit services to confinement facilities in South Carolina.

49. Therefore, Evercom respectfully requests that the Commission issue a declaratory order specifically declaring that the authority granted Evercom in its Certificates of Public

Convenience and Necessity includes authority to offer debit services to confinement facilities in South Carolina. More generally, Evercom requests that the Commission conclude that it has authority “to provide inmate telecommunications services to jails and confinement facilities located in South Carolina,” which is not limited to debit or collect only services but allows the provision of any telecommunication services requested by jails and confinement facilities to be provided to their inmates.

V. **PETITION FOR APPROVAL *NUNC PRO TUNC* OF REVISIONS TO THE EVERCOM TARIFF**

50. Each and every relevant and consistent allegation of the foregoing paragraphs is incorporated and included herein as fully as if repeated verbatim.

51. Evercom is informed and believes that the Certificates of Public Convenience and Necessity granted to it by the Commission includes authority authorizing Evercom to offer debit services to confinement facilities in South Carolina. Therefore, Evercom hereby submits for approval *nunc pro tunc* revisions to its existing, Commission approved inmate telecommunications services tariff (“Revised Evercom Tariff”). A copy of the Revised Evercom Tariff is attached hereto as Exhibit K.

52. The primary purpose and objective for the revisions included in the Revised Evercom Tariff is to (i) correct miscellaneous text, (ii) add a provision addressing debit services, (iii) establish rates for debit services, and (iv) add a provision addressing contract services.

53. Accordingly, Evercom respectfully requests that the Commission issue an order approving *nunc pro tunc* the Revised Evercom Tariff as attached hereto.

VI. ALTERNATIVELY, APPLICATION TO AMEND CERTIFICATES OF AUTHORITY AND PUBLIC CONVENIENCE AND TO APPROVE *NUNC PRO TUNC* THE REVISED EVERCOM TARIFF

54. Each and every relevant and consistent allegation of the foregoing paragraphs is incorporated and included herein as fully as if repeated verbatim.

55. In the event that the Commission finds that Evercom's Certificates of Public Convenience and Necessity do not include authority for Evercom to offer debit services to confinement facilities in South Carolina, Evercom hereby requests that the Commission amend Evercom's Certificates of Public Convenience and Necessity so as to enlarge the scope of authority contained therein allowing Evercom to offer, among other telecommunication services, debit services to confinement facilities in South Carolina and approve *nunc pro tunc* the Revised Evercom Tariff filed herewith.

56. Evercom's management has the business and technical experience necessary to implement and execute the provision of debit services in an efficient, reasonable, and effective manner. Attached hereto as Exhibit L is a description of the experience and qualifications of Evercom's key management personnel.

57. Further, Evercom has the financial resources necessary to fund and support the provision of debit services. Attached hereto as Exhibit M is a letter from Evercom's Chief Financial Officer demonstrating the financial soundness of Evercom.

58. Moreover, in Order No. 98-265, the Commission found as fact that "[Evercom] has the technological, financial, and managerial resources to provide the services for which it seeks, namely the provision of inmate telephone services." See Exhibit E at p.5.

59. Approval of this application will continue to serve the public interest and provide benefits to the citizens of South Carolina. Further, approval of this application and the attached

tariff *nunc pro tunc* would allow Evercom to continue providing debit services to confinement facilities in South Carolina; a service that both inmates and confinement facilities appreciate, rely upon, need, and find to be necessary and convenient.

60. Accordingly, Evercom submits that (1) it possesses the technical, financial, and managerial, resources sufficient to provide debit services; (2) its debit services meet the applicable Commission standards; (3) its debit services provide protection against harassment; (4) its debit services will not adversely impact the public interest; and (5) its debit services are necessary and convenient.

VII. REQUEST FOR RELIEF

WHEREFORE, Evercom prays that the Commission:

- a. Issue a declaratory order declaring that the authority granted Evercom in its Certificates of Public Convenience and Necessity includes, among other telecommunications services, the authority to offer debit services to confinement facilities in South Carolina.
- b. Approve *nunc pro tunc* the proposed revisions (See Exhibit K) to its existing, Commission approved inmate telecommunication services tariff.
- c. Alternatively, issue an order amending Evercom's Certificates of Public Convenience and Necessity enlarging its operating authority to permit, among other telecommunication services, Evercom to offer debit services to confinement facilities in South Carolina and to approve *nunc pro tunc* the tariff revisions filed herewith and attached hereto as Exhibit K.
- d. For such other relief as the Commission may find to be just and proper.

[SIGNATURE PAGE FOLLOWS]

Respectfully submitted,

A handwritten signature in black ink that reads "Mitchell Willoughby". The signature is written in a cursive style with a horizontal line underneath the name.

Mitchell Willoughby

K. Chad Burgess

WILLOUGHBY & HOEFER, P.A.

Post Office Box 8416

1022 Calhoun Street, Suite 302

Columbia, SC 29201

(803) 252-3300

Attorneys for Evercom Systems, Inc.

Columbia, South Carolina
November 29, 2004

The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Authorization

I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:

EVERCOM SYSTEMS, INC.,
a corporation duly organized under the laws of the state of **DELAWARE** and issued a certificate of authority to transact business in South Carolina on **September 4th, 1997**, has on the date hereof filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the Corporation that its authority to transact business in South Carolina is subject to being revoked pursuant to Section 33-15-310 of the 1976 South Carolina Code, and no application for surrender of authority to do business in South Carolina has been filed in this office as of the date hereof.

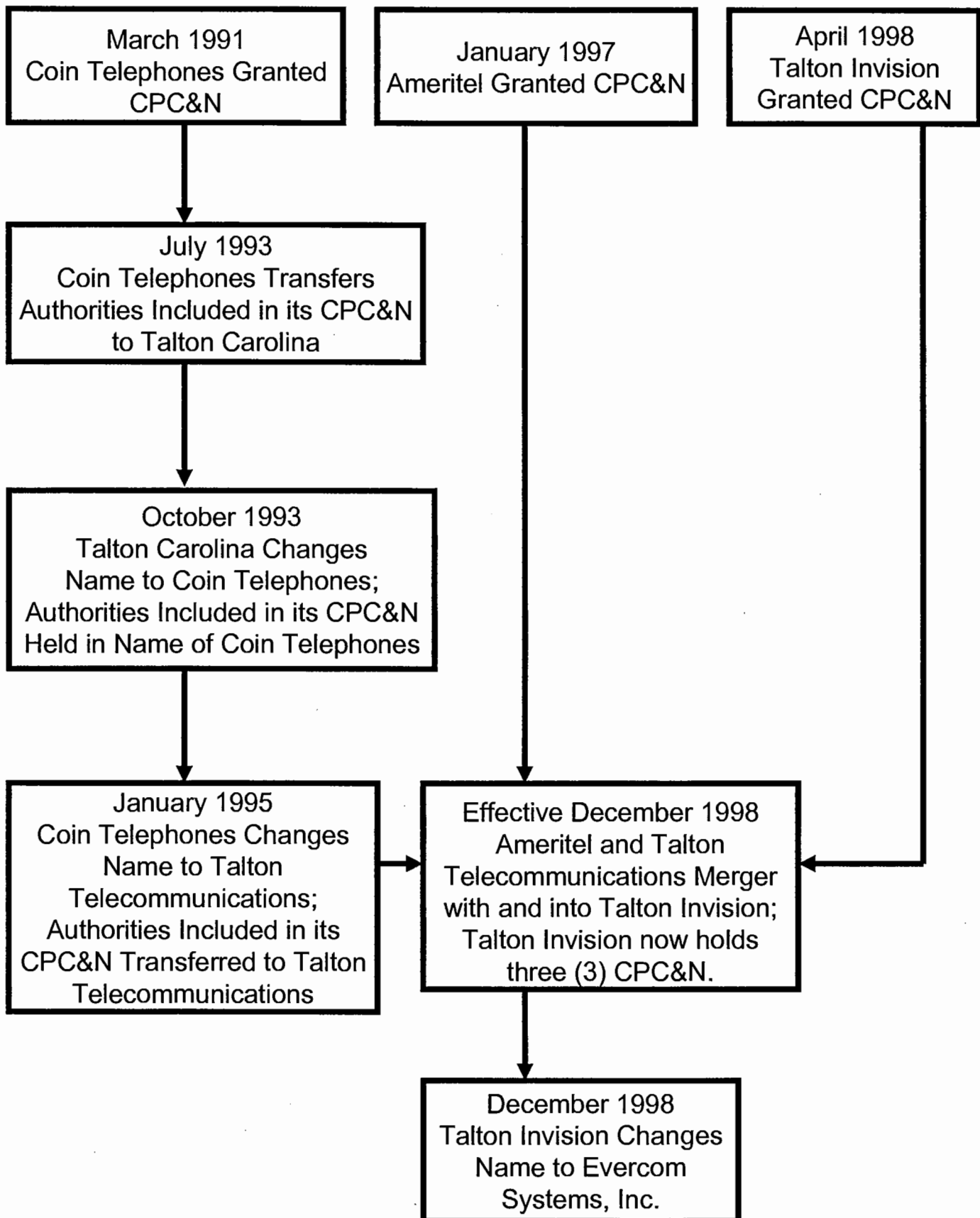
Given under my Hand and the Great
Seal of the State of South Carolina this
16th day of September, 2004.

A handwritten signature of Mark Hammond in black ink, written over a horizontal line.

Mark Hammond, Secretary of State

Note: This certificate does not contain any representation concerning fees or taxes owed by the Corporation to the South Carolina Tax Commission or whether the Corporation has filed the annual reports with the Tax Commission. It is important to know whether the Corporation has paid all taxes due to the State of South Carolina, and has filed the annual reports, a certificate of compliance must be obtained from the Tax Commission.

Exhibit "B"



BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 90-305-C - ORDER NO. 91-122
MARCH 4, 1991

IN THE MATTER OF:

Proceeding to Consider Allowing	)	ORDER AUTHORIZING SERVICE,
Local and IntraLATA 0+ Collect	)	GRANTING CERTIFICATE,
Authority for COCOT Providers	)	APPROVING RATES, AND
Serving Confinement Facilities.	)	REQUIRING BILLING .

I.

INTRODUCTION

This matter comes before the Public Service Commission of South Carolina (the Commission) initially by way of a tariff filing on February 26, 1990, by Southern Bell Telephone and Telegraph Company (Southern Bell) seeking approval of revisions to its access services tariff. The proposed revisions would have allowed Southern Bell to provide billing and collection services for interLATA calls to clearinghouse agents for calls placed on behalf of properly certified COCOT providers. The matter was duly noticed to the public, and Coin Telephones, Inc. (Coin Telephones), Pay-Tel Communications, Inc. (Pay-Tel) and Intellicall (hereinafter referred to collectively as the Applicants) filed a joint Petition to Intervene. The matter was then set for a hearing.

On April 25, 1990, Southern Bell filed a Request to Withdraw its Proposed Tariff Revisions. In response, the Applicants filed a Petition to Disallow the Withdrawal of Southern Bell's Tariff Revisions. By Order No. 90-505, dated May 9, 1990, the Commission allowed Southern Bell to withdraw its proposed tariff revisions. However, in that order, the Commission determined that the Applicants had raised certain issues which needed to be addressed by the Commission, specifically, whether Southern Bell should be required to provide billing and collection services for intraLATA collect calls placed through the COCOT telephones, whether COCOT providers must comply with all regulations applicable to interexchange carriers and alternate operator services (AOS) providers, and whether COCOT providers should be required by Southern Bell to obtain an "appropriate... Identification Code" for transmittal to Southern Bell, and other such related issues. The hearing was rescheduled and the Applicants then became the moving parties with the burden of going forward with the issues raised in their initial Petition to Intervene.

A hearing was held on June 6, 1990, and on July 10, 1990, the Commission issued its Order No. 90-663. In that Order the Commission determined that COCOT providers did not currently have the authority to provide "0+" collect, local and intraLATA calling. The Commission determined that a new proceeding should be initiated to consider whether such authority should be available to COCOT providers serving confinement facilities. The Commission ruled that if such authority should be extended, the

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MARCH 4, 1991

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proceeding would also serve as the certification proceeding for Pay-Tel and Coin Telephones. The Commission held in abeyance ruling on a Southern Bell motion to require Pay-Tel and Coin Telephones to cease and desist from providing telecommunications services in South Carolina where they are presently operating, finding that it was not in the public interest to disrupt service to the confinement facilities currently being served. The Commission also held in abeyance ruling on Southern Bell's Motion for an accounting of any revenues derived from providing services and for a refund.

On July 19, 1990, Telink Telephone Systems, Inc. (Telink) filed a Petition to Intervene Out of Time, and this Petition was granted in Order No. 90-755. On October 8, 1990, the Consumer Advocate for the State of South Carolina (the Consumer Advocate) filed his Petition to Intervene, and this Petition was granted, also.

On September 17, 1990, the Commission issued its Order No. 90-871. That Order continued the hearing in this matter, and ruled that a Notice of Proceeding be published by the Applicants setting forth the following issues to be decided in the current proceeding:

1. Whether COCOTs providing service to confinement facilities should be authorized to provide "0+" interLATA, intraLATA and local automated collect calls utilizing store and forward technology;

2. Whether Pay-Tel and Coin Telephones should be granted certificates of public convenience and necessity to provide 0+ interLATA, intraLATA and local automated collect calls from confinement facilities utilizing store and forward technology;

3. The appropriate charges for COCOTS providing 0+ interLATA, intraLATA and local automated collect calls from confinement facilities; and

4. Whether Local Exchange Companies should be required to provide billing and collection services to properly certified COCOTS providing 0+ interLATA, intraLATA and local automated collect calls to confinement institutions at rates for which billing and collection is provided to interexchange carriers.

Pursuant to the Commission's ruling, a Notice of Rescheduling of Hearing was issued on October 10, 1990 and duly published. The hearing in this matter was commenced at 10:30 a.m. on December 12, 1990, in the Commission's hearing room, the Honorable Henry G. Yonce, presiding. John F. Beach, Esquire, James J. Freeman, Esquire, and Judith St. Ledger-Roty, Esquire, represented the Applicants; William F. Austin, Esquire, Fred A. Walters, Esquire, and Harry M. Lightsey, III, Esquire, represented Southern Bell; Frank R. Ellerbe, III, Esquire, represented Telink Telephone Systems, Inc.; Carl F. McIntosh, Esquire and Elliott F. Elam, Jr., Esquire, represented the Consumer Advocate; and Marsha A. Ward, General Counsel, represented the Commission Staff.

Four public witnesses, MAJ James L. Fowler, Jail Administrator for the Greenwood County Detention Center, Sheriff Michael R. Carter, Sheriff of Georgetown County, Mr. James Mann, Detention Manager for the York County Detention Center, and CPT Adrian Bost, Jail Administrator for the Lexington County Detention Center, testified concerning COCOT telephones provided by the Applicants, the Intervenor Telink, or similar providers used in their confinement facilities. The Applicants presented the testimony of

B. Reid Presson, Jr., Vice-President of Pay-Tel and John Vincent Townsend, President of Pay-Tel. Telink presented the testimony of Mr. Myron M. Newman, Vice-President of Operations and a principal shareholder in Telink Telephone Systems, Inc. Southern Bell presented the testimony of Mr. David B. Denton, Operations Manager - Rates. Following the hearing, the Commission provided all parties an opportunity to file a written brief in this case.

II.

FINDINGS AND CONCLUSIONS

Based on the evidence of the record, the Commission makes the following findings of fact and conclusions of law:

- A. Whether COCOTS providing service to confinement facilities should be authorized to provide "0+" interLATA, intraLATA and local automated collect calls using store and forward technology.

FINDINGS

1. Commission Order No. 90-663 determined that another proceeding was necessary "to determine whether or not COCOTS providing service to confinement facilities should be authorized to provide '0+' intraLATA and local collect operator assisted calls." Order, p. 9.
2. The Applicants are corporations authorized to do business in this State.
3. The Applicants are providing customer owned telephones equipped with a special store-and-forward technology which provide collect-only automated operator services.
4. The Applicants have limited their request to provide the

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proposed store-and-forward technology to confinement facilities only in South Carolina.

5. The Applicants propose to charge certain rates for providing this "0+" collect-only automated operator service call.

6. As defined by S.C. Code Ann., §58-9-10(6) (1976), the Applicants are "telephone utilities" and therefore are subject to the Commission's regulation pursuant to §58-3-140 and §§58-9-10 et seq.

7. On an interLATA basis, the type service offered by the COCOTS, i.e., "reselling" interLATA long distance service through an underlying carrier, has been provided by non-facility based interexchange carriers (IXC's). The interLATA authority requested by the Applicants is not in dispute.

8. The type of service requested to be provided has, on a local and intraLATA basis, been traditionally reserved to the local exchange companies (LECs.)¹

9. The Applicants herein are providing collect only automated operator services using store and forward technology. The LEC is actually carrying the call on a local or intraLATA basis, however, the store and forward technology software contained within the telephone provides the operator assisted portion of the call.

1. The only exception to this is SouthernNet's authority which was granted on a statewide basis in 1982 before the LATA lines were drawn in 1984. See, Order No. 82-3, issued January 5, 1988, in Docket No. 81-28-C.

CONCLUSIONS

1. Therefore, the confinement facility COCOT is actually "reselling" local and intraLATA collect only service while it provides operator services on the same local and intraLATA basis.

2. The Commission has required both interexchange carriers (IXCs) and AOS providers to receive certification from the Commission before providing such services. See, S.C. Code Ann., §58-9-280 (1976). The Applicants have already received COCOT certificates for any pay phone services provided.

3. Therefore, before telephone utilities, such as the Applicants herein, commence such operations from confinement facilities, a certificate of public convenience and necessity is required.

B. Whether Pay-Tel and Coin Telephone should be granted certificates of public convenience and necessity to provide "0+" interLATA, intraLATA and local automated collect calls from confinement facilities utilizing store and forward technology.

FINDINGS

1. Order No. 90-663 provided that "if it is determined in this future proceeding that such COCOT providers should be allowed to provide '0+' intraLATA and local automated operator assisted calls, the proceeding will also serve as the certification proceeding for such COCOTS." Order, p. 10.

2. To be granted a certificate of public convenience and necessity, the Applicants must demonstrate a "public need" for their service and that they are fit, willing and able to provide the service.

3. The services under consideration are proposed to be provided to a very limited market - to provide confinement facility inmates with access to telephones to make personal telephone calls.

4. The proposed service is provided through advanced store and forward technology which permits the inmates to make collect-only calls.

5. The testimony of Sheriff Carter, Major Fowler, Mr. Mann, and Captain Bost demonstrate the serious problems involved in providing inmates access to telephone service.

6. Before subscribing to the available store and forward services, inmates in confinement facilities supervised by the above-named witnesses were severely restricted in their access of the confinement facility telephones (generally one call, once a week), and it required the commitment of confinement personnel to supervise the inmates' access to the confinement facility phones.

7. After the installation of the automated collect system, each facility is now able to provide a satisfactory volume of calling for its inmates. The confinement facilities also experience the following benefits:

a. The availability of automated collect COCOT phones has cut down on the administrative costs formerly associated with providing the minimum calling for inmates.

b. The inmate populations have experienced a significant improvement in morale.

c. The average length of stay per inmate has been reduced due to more timely access to lawyers and bail bondsmen.

d. Confinement facility administrators are able to more effectively control the inmate population by limiting telephone access in order to discipline inappropriate behavior and reward appropriate behavior.

8. The installation of automated collect phones has eliminated the security risk formerly associated with removing the prisoner from cell blocks and providing telephone calls from a less secure location.

9. Harassment calls from inmates to jurors, witnesses, and county personnel have been virtually eliminated by utilizing the selective number blocking feature available through store and forward technology.

10. Because the telephones are automated, collect-only phones, fraudulent calling is much more difficult for the inmates. The critical factor in the operation of these phones which makes them less susceptible to fraud is that the inmate has no access to an outside line until the call is connected to and accepted by a party at the number which he has dialed. This prevents the inmate from having access to a live operator and prevents him from receiving a secondary dial tone.

11. The record demonstrates that unless these companies are permitted to provide this service, including intraLATA and local services, similar services will not be available at this time in

South Carolina.

12. The record shows that the only LEC in South Carolina which offers a service which is somewhat comparable is Southern Bell.

13. The two major points concerning Southern Bell's service is that: first, Southern Bell does not operate in every county in the State, and second, Southern Bell's Automated Alternate Billing Services (AABS) operates differently than the store and forward technology proposed by the Applicants, specifically:

a. Almost half of the counties within South Carolina are served by local exchange companies (LECs) other than Southern Bell.

b. None of the other LECs offer an automated collect product.²

c. The COCOT phones afford selective number blocking. Southern Bell's AABS does not.

d. The COCOT phones bar inmate access to a live operator, reducing the number of fraudulent calls. Southern Bell's AABS does not.

e. The COCOT phones identify the calling party and that the call is coming from a confinement facility, giving the called party the opportunity to know the

2. The Lexington County Detention Center, which is served by the LEC Alltel, receives automated collect service from Impact Technologies but uses the line operator services for local and intraLATA through a contractual arrangement between Alltel and Southern Bell.

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identity and location of the caller before accepting the call. The AABS system only informs the called party that the call is collect and from what community or town the call is from.

f. The COCOT phones offer automated collect calling on a local, intraLATA, interLATA, and interstate basis. Southern Bell's AABS may only provide intraLATA and local calling. InterLATA and interstate calls in Southern Bell territory would be carried by an interexchange carrier's live operator.

g. The COCOT phones allow confinement facilities to selectively switch individual phones on and off and to limit the length of individual calls. Southern Bell does not offer this option.

14. A basis for denial of the Applicants' request, as proposed by Southern Bell, is that the flow of intraLATA revenues for support of local exchange service should be maintained. The solution proposed by Southern Bell is not a feasible option if the system is to be useful to the confinement facilities.

a. Southern Bell asserts that the solution is for the COCOT to hand off all local and intraLATA collect calls to the LEC, utilizing its automated technology for only interLATA collect calls placed by inmates from confinement facilities.

b. The record reveals that the majority of all collect calls placed from confinement facilities in

South Carolina are local and intraLATA in nature.

c. If local and intraLATA collect calls were handed off to the local exchange company, the service would not be viable for the COCOT. In essence, under such a scenario, the COCOT provider would bear the cost of installing and maintaining the telephone equipment and pay for the COCOT line, but would have to deliver all of the call local and intraLATA volume to the local exchange company which would keep all the revenue from such calls.

d. The confinement facilities would not find such a hand-off system as meeting their needs. For the over 20 non-Southern Bell served counties in South Carolina, no automated collect only product is available to handle local and intraLATA calls. In those cases, the call would be handed off to a live operator. This situation could create the previously discussed problems of the confinement facility having to commit manpower for inmate telephone access and attempting to combat fraud.

15. If the service is approved as proposed, the LEC will receive sufficient revenues from the COCOTs provision of the service to maintain the intraLATA revenue stream.

a. The LEC will receive a COCOT line charge which is a fixed, non-traffic sensitive monthly charge.

b. The LEC will receive "1+" Message Toll Service

(MTS) revenues on all intraLATA toll calls.

c. The LEC will receive its appropriate message charge on all local calls.

d. The LEC will receive revenues from message billing.

16. The LEC may experience some cost savings if this service is approved.

a. The cost of providing a live operator may be reduced.

b. The cost of providing and maintaining hardware, which would be supplied instead by COCOTs, will be reduced.

c. The cost of a called party's failure to pay for calls is shifted from the LEC to the COCOT provider.

d. The cost of commissions will be reduced, if any were paid, to the confinement institution location owners.

17. Increased inmate access to COCOT automated collect telephones has resulted in greater calling volumes from confinement facilities which benefits the local exchange company.

a. Before the installation of the automated collect telephones, each of the confinement facilities represented at the hearing were only able to supply approximately one five minute telephone call per inmate per week.

b. In one instance, the confinement facility

experienced an increase from 295 calls per month to over 2,000 calls per month. In another confinement facility with automated collect COCOT's, calls increased from 455 calls per month to approximately 2,680 calls per month.

c. This increase in calling volume represents additional message, toll and billing revenues to the local exchange company that were not being received prior to the installation of the automated collect COCOT phones.

d. The testimony of Pay-Tel's witness Townsend supports the fact that 50%-60% of his Company's revenues are paid to the local exchange company for handling the call, as well as the billing of a call.

e. The Applicants presented evidence showing that prior to the installation of automated collect COCOT telephones, Southern Bell received an average of \$180.60 per month from the Kershaw County Detention Center for phone service. (See, Hearing Exhibit No. 4. See, also Section E, infra, wherein the Commission sets out its ruling on the objections to the introduction of various hearing exhibits). After the automated collect telephones were installed, Southern Bell received nearly \$900.00 from four inmate COCOT phones for a one

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month period.³

18. Southern Bell contends that since traditional AOS providers have not been authorized to provide local and intraLATA calls, the Applicants herein should be prevented from doing so as well.

19. The Applicants herein have asked for an exception to this Commission policy as to the provision of such service on a collect basis from confinement facilities only.

CONCLUSIONS

1. The Applicants have demonstrated a need for this particular service from the confinement facility administrators, have shown that the same service is not offered by any other entity or LEC, and provided evidence that the LECs will actually benefit from this service, vis a vis, greater calling volumes.

2. Through the filing of certain financial exhibits and tariffs, the Applicants have shown themselves to be fit, willing and able to provide the requested service.

3. Based on the foregoing findings, the Commission has determined that a certificate of public convenience and necessity should be granted to the Applicants for the provision of "0+" interLATA, intraLATA and local automated collect calls from confinement facilities only.

3. Even though Southern Bell contends its AABS could have been installed in the Kershaw facility, and it could have received those same revenues, it would not have received billing revenues. Additionally, where Southern Bell is not present, the local exchange company in that area will receive greater revenues.

- C. The appropriate charges for COCOTS providing 0+ interLATA, intraLATA and local automated collect calls from confinement facilities.

FINDINGS

1. When the Commission, in Order No. 85-1, issued January 8, 1985, in Docket No. 83-308-C, increased the pay telephone rate for Southern Bell from 10¢ to 25¢ per local call, it carved out certain exceptions where some pay stations would be required to maintain the 10¢ charge. One such exception is a confinement facility. See, Southern Bell General Subscriber Service Tariff A7.1.4(C)(1).

2. The basis for the Commission's maintenance of the 10¢ charge in certain circumstances is to allow those individuals with lower incomes access to the telephone network. Individuals housed in confinement facilities were previously found to have lower incomes, hence, telephones in confinement facilities may only charge 10¢ per local calls.

3. While the service being offered is collect and the called party will be paying for the call instead of the inmate, the testimony reveals that the majority of the calls are local and that the inmates are calling family members and friends. The Commission is not convinced that a local called party should pay more for the local position of a call from a confinement facility than the inmate would have to pay for the same local call from a confinement facility. Southern Bell's tariff provides that a local collect call from a confinement facility should be 10¢ plus the 70¢ operator service charge. The called party should not be disadvantaged or treated differently because the calling party is

calling collect from a confinement facility.

CONCLUSIONS

1. Local collect calls should be charged at the the LEC rate for a coin call from a confinement facility, plus the operator assistance charge for a local call. Presently such a call would be rated at 80¢.

2. There was no dispute that the intraLATA collect calls would be billed at the LEC's "0+" rate and that the LEC would receive compensation at its "1+" Message Toll Service (MTS) rate for the duration of the connection made with the called party whether the call was accepted or not.

3. As to interLATA collect calls, again, no dispute existed to the filed rate, and such is found appropriate by the Commission, subject to the provisions of Section F, infra.

D. Whether local exchange companies should be required to provide billing and collection services to properly certified COCOTS providing 0+ interLATA, intraLATA and local automated collect calls to confinement institutions at rates for which billing and collection is provided to interexchange carriers.

FINDINGS

1. Once establishing that these COCOTS are reselling interLATA, intraLATA and local operator assisted service, then it is axiomatic that these COCOTS are interexchange carriers for interLATA and intraLATA purposes.

2. As to the provision of local operator assisted service, the Applicants, by definition, can not be interexchange carriers. As to the provision of local operator assisted service, the

Applicants, because of the service provided to the confinement facilities, have merely been granted an exception to the Commission's policy of reserving the provision of local service, particularly operator services, to the LEC.

3. Pursuant to Southern Bell's tariff, it must provide billing and collection services to those interexchange carriers requesting such. See, Southern Bell Access Service Tariff, Section E2.6. And, as to the billing and collection for local "0+" collect calls, based upon the certificate granted herein, the LECs must bill and collect for local "0+" collect calls of properly certified confinement facility "0+" providers.

CONCLUSION

1. Therefore, the local exchange companies should bill and collect for certified carriers providing "0+" interLATA, intraLATA and local collect calls from confinement facilities at the applicable rate for interexchange carriers.

E. MISCELLANEOUS MATTERS

FINDINGS AND CONCLUSIONS

1. Motion to Dismiss

At the commencement of the hearing, Southern Bell renewed its Motion to Dismiss based upon the allegation that the Applicants did not make certain filings, including a schedule of tariffs and other financial data before the prefiling deadline. Southern Bell contends this violated its right to due process.

The Commission notes that this case arose from unique procedural maneuverings. Southern Bell was the initial Applicant

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and Pay-Tel, Coin Telephone and Intellicall were Intervenor. When Southern Bell withdrew its tariff, Pay-Tel, Coin Telephone and Intellicall assumed the role of the Applicant.

Upon Southern Bell's raising the filing requirement issue, the Applicants filed the necessary information. Such information was filed far enough in advance of the hearing that Southern Bell could have conducted the necessary discovery before the hearing. It did not attempt any discovery based on the financial data filed by the Applicants. The Commission finds no due process has been denied Southern Bell and therefore, denies the Motion to Dismiss.

2. Application of Telink

Southern Bell objected to the Commission's consideration of Telink's Application in this proceeding. The Commission previously held a hearing regarding Telink's request for authority to provide "0+" interLATA, intraLATA and local collect only calls from confinement facilities. See, Docket No. 89-550-C. Order No. 90-908, issued October 1, 1990 in Docket No. 90-550-C held in abeyance Telink's request to provide "0+" collect local and intraLATA service from confinement facilities. Order No. 90-908, p. 5. Therefore, the Commission will not rule on Telink's request in this Docket, rather, the Commission will revisit Docket No. 90-550-C and make its determinations based upon the record presented in that proceeding.

3. Motion to Strike

At the time the Applicants presented witnesses Mann, Presson, and Townsend, Southern Bell renewed its earlier filed Motion to

Strike certain portions of their testimony. The Commission denied the Motion to Strike by Order No. 90-1171, issued December 12, 1990 in the instant Docket. The Commission noted Southern Bell's renewal of its Motion but denied the Motion each time it was raised. The Commission stands by its reasoning enunciated in Order No. 90-1171.

4. Hearing Exhibits introduced by Applicants

Applicants sought to introduce excerpts of the transcript of testimony of confinement facility witnesses before the Commission in the hearing of June 6, 1990. Specifically, Applicants sought the introduction of the testimony of witnesses Blackmon and Mickels as Hearing Exhibit Nos. 2 and 3, respectively.

R.103-871(B) allows that the transcript or any portion thereof of another formal proceeding before the Commission may be introduced into the formal record at a subsequent hearing as long as a true copy of the portion desired is presented. However, R.103-873 allows the presiding officer to exclude "inadmissible, incompetent, cumulative, or irrelevant evidence." As to the testimony of witnesses Mickels and Blackmon from the previous proceeding, their testimony is very similar to that of the detention facility witnesses offered in the instant proceeding, however, the issue in the previous hearing concerned whether Commission authority was even necessary. This proceeding is to determine whether a certificate should be granted. The Commission finds that the introduction of the testimony of witnesses Blackmon and Mickels in this proceeding is not relevant and is merely

cumulative. Southern Bell's objection should be sustained.

Next, the Applicant sought the introduction of Hearing Exhibits 4 and 5. Hearing Exhibit No. 4 is a letter from counsel for Southern Bell to counsel for the Applicants, indicating on a daily basis the revenues generated from the local only coin station at the Kershaw County detention facility and the revenues collected from the coinless collect only set. Hearing Exhibit No. 5 was a bill owed Southern Bell by the Applicants for service to the Kershaw County detention facility after the Applicants' phones were installed. Southern Bell objects to both hearing exhibits on the basis that they are not relevant.

Southern Bell asserts that the exhibits do not show that Southern Bell is benefiting from the COCOT phones in the Kershaw County detention facilities. The Commission is of the opinion that the Exhibits should be entered into evidence. Hearing Exhibit No. 4 shows the revenues being collected from the two phones in the Kershaw County Detention Center, while Hearing Exhibit No. 5 shows the revenues being paid to Southern Bell from the COCOT facility phones in the Kershaw Detention Center. The Commission is of the opinion that it does show that Southern Bell does receive some benefit from the COCOT phones in confinement facilities. Therefore, Southern Bell's objection to the admission of the Hearing Exhibit Nos. 4 and 5 is overruled.

Hearing Exhibit No. 6 purports to be a telephone bill from the Willoughby Law Firm in which a call was placed from the Lexington County Detention Center as a automated collect call over the

system that is currently being used for local calls. The bill indicates that the charge for that local call is 95¢. While this proceeding will consider the appropriate charge for local confinement facility calls, what a particular telephone company charges is not relevant to this proceeding, and Southern Bell's objection is sustained.

Hearing Exhibit No. 7 purports to be interrogatories propounded by the Applicants and the responses of Southern Bell, specifically 3-3, 3-5, and 3-13. The exhibits are interrogatory responses that explain Southern Bell's automated technology, or its AABS service. Southern Bell objects on the grounds of relevancy. Southern Bell asserts that Southern Bell's AABS service should not be considered by the Commission since this is a proceeding to consider the Applicant's request for a certificate of public convenience and necessity. The Commission is of the opinion that Hearing Exhibit No. 7 should be admitted into evidence. This information is helpful to the Commission to determine whether similar service is presently available to or by any other LEC. This information tends to go toward the issue of "public need" to determine whether a certificate of public convenience and necessity should be issued.

Hearing Exhibit No. 8 is the Applicants' Interrogatories and Southern Bell's responses thereto concerning Interrogatory Nos. 3-7, 3-15, 3-16, 3-17 and 3-39. The Interrogatories concern the appropriate charge for local collect telephone calls by a Southern Bell customer. Southern Bell objected on the grounds of relevancy.

The Commission agrees with Southern Bell that the appropriate charge for the collect only local call will be determined by the Commission in this proceeding and will not be based on what another telephone utility may or may not charge for the call.

Applicants' Interrogatories and Southern Bell's responses thereto of Interrogatory Nos. 3-33, 3-34, and 3-35 were submitted as Hearing Exhibit No. 9. These Interrogatories described screening functions that Southern Bell currently offers in its automated collect product. Southern Bell objected on the grounds of relevancy in that the Applicants were attempting to create new evidence after the time of prefiling. The Commission is of the opinion that this evidence is pertinent to the granting of the certificate of public convenience and necessity. The screening provided by Southern Bell, compared to the screening provided by the Applicants is important to note. Further, Southern Bell's objection that the Applicants were creating evidence after the time of the prefiling is not well-founded. While the Applicants may not have conducted comparisons, Southern Bell may not prevent the Applicants from putting in evidence what Southern Bell's system can do. The record will reflect the capabilities of Southern Bell's AABS service and that of the Applicants'.

Hearing Exhibit No. 10 is Southern Bell's response to the Applicants Interrogatory No. 3-41. This Interrogatory provides information regarding Southern Bell's toll shortage report. The Commission is of the opinion that this document is not relevant to the proceedings at hand and sustains Southern Bell's objection

thereto.

The Applicants sought to introduce Interrogatory No. 3-42 and Southern Bell's response to that Interrogatory. The information breaks down the percentage of local intraLATA and interLATA calling experience from confinement facilities served by Southern Bell in South Carolina. Southern Bell objected to the introduction of such evidence on the grounds of relevancy and objected to the characterization given this information by the Applicants. The Commission agrees with Southern Bell that the information speaks for itself. The Commission will admit into evidence as Hearing Exhibit No. 11 this information which shows that the break down of calls from coinless, coin and collect only phones in Southern Bell served confinement facilities as depicted in the exhibit.

The Applicants next sought the introduction of certain exhibits that were prefiled as part of witness Townsend's prefiled testimony. Specifically, the Applicants sought to introduce the North Carolina Utility Commission's order which allowed automated collect calling. The Commission determined that it would take judicial notice of the North Carolina Utility Commission's order. Additionally, the Commission takes judicial notice of the North Carolina Utility Commission's order promulgating COCOT rule recodification.

Finally, the Applicants presented a document provided to the North Carolina Utilities Commission from Southern Bell which reports on inmate fraud. Southern Bell objected on the grounds of relevancy, hearsay and lack of competency. The Commission agrees

with Southern Bell's objections. No one from Southern Bell sponsored this information, nor has it been shown that the information produced for a North Carolina proceeding relates to one in South Carolina. It is improper to submit this report with nothing else to support it in this proceeding in South Carolina. Southern Bell's objection to the introduction of this Hearing Exhibit No. 13 is sustained.

During cross-examination of witness Presson by counsel for Southern Bell, the question was asked as to whether any studies on calling patterns in South Carolina from confinement facilities have been made to determine whether the calls are local, intraLATA or interLATA in nature. The prefiled testimony of witness Presson stated that the Applicants' study of three dealers serving confinement institutions in other states indicates that 76% to 81% of the calls are local or intraLATA. Counsel for the Applicants at that time explained that the witness was referring to an interrogatory propounded by Southern Bell while counsel for Southern Bell was referring to prefiled testimony. Counsel for the Applicants stated that after the prefiled testimony was submitted, Southern Bell asked an interrogatory about South Carolina and Mr. Presson responded to that interrogatory. At that time, counsel for the Applicants sought to introduce as Hearing Exhibit No. 14, Interrogatory of Southern Bell No. 36, and the Applicants' answer. Southern Bell objected that it was improper for this document to be introduced while Southern Bell was cross-examining the witness and that the prefiled testimony of the Applicants may not be

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supplemented at this point in time. The Commission agrees that it was inappropriate to seek introduction of this document during cross-examination by Southern Bell. However, at the conclusion of his redirect examination, counsel for the Applicants sought to introduce the interrogatory and response. The Commission finds that the issue was brought up on cross-examination as to whether a study had been done from three institutions in South Carolina. It was proper for counsel for the Applicant to introduce this information on redirect testimony after this issue was raised on cross-examination. This information should come as no surprise to Southern Bell since the response was produced as an answer to an interrogatory it had propounded.

At the close of the hearing, counsel for Southern Bell made a motion for directed verdict to dismiss the Application because the Applicants had failed to submit as evidence certain financial data and tariffs which, according to counsel, must be included so that the Commission may rule properly on the Applications. However, according to the Commission's rules, the financial information referred to by Southern Bell must be included as part of the Application, not as evidence in the hearing. The Application is part of the record before the Commission, therefore, the required information which was filed by the Applicants is a part of the record in this matter. Southern Bell's Motion for Directed Verdict is denied. Additionally, the Commission had ruled on the propriety of the filing of this information by the Applicants in Order No. 90-1154, issued December 5, 1990. The Commission sees no reason

to change this ruling.

Additionally, Southern Bell made a motion that the Commission impose monetary penalties provided by Title 58, Chapter 9, Section 1610, with each day constituting the separate offense, and that the Commission issue an interrogatory to Telink, having them state the number of days and the number of separate offenses that have occurred with their providing intraLATA and local calling in direct violation of the order of this Commission. The Commission has considered the motion against Telink requested by Southern Bell and finds that it is inappropriate in this proceeding, which involves the request for certification by Pay-Tel and Coin Telephones, for the Commission to issue the requested order against Telink, who is merely an intervenor in this proceeding. Telink previously requested certification from the Commission and Southern Bell participated in that docket. Southern Bell made several motions in that proceeding concerning the authority of Telink. The Commission will address those motions when it issues its order regarding Telink's authority. It is inappropriate for the Commission to take such action in this proceeding when Telink is not the Applicant herein. Southern Bell's Motion is denied.

In Order No. 90-663, the Commission held in abeyance ruling on Southern Bell's motion to require Pay-Tel and Coin Telephones to cease and desist from providing telecommunication services in South Carolina where they are presently operating. The Commission has determined, in light of its findings and the grant of authority herein, that Southern Bell's motion to require Pay-Tel and Coin

Telephones to cease and desist should be denied. Additionally, the Commission held in abeyance ruling on Southern Bell's motion for an accounting of any revenues derived from providing services and for a refund. Again, in light of the Commission's determination that the Applicants should be granted a Certificate of Public Convenience and Necessity, Southern Bell's motion should be denied.

**F. CONDITIONS OF CERTIFICATION
FINDINGS AND CONCLUSIONS**

1. The Applicants certified herein shall comply with all Commission guidelines pertaining to the provision of COCOT service as set forth in Docket No. 85-150 and any other relevant proceedings. Any departure from the requirements of the guidelines will not be allowed without a specific request for a waiver.

2. Waiver of the guidelines is not to be considered a grant of authority to provide "0+" collect store and forward calling from confinement facilities. Rather, it is merely the authorization to program the facilities so that they may carry such calls once proper certification is given by the Commission for "0+" collect calling from confinement facilities only.

3. Any confinement facility COCOT provider wishing to provide interLATA, intraLATA or local "0+" collect calling using store and forward technology should file an application with the Commission requesting certification to provide any or all of above-mentioned services.

4. That the rates charged for such "0+" collect calls from confinement facilities on a local or intraLATA basis shall be no

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more than the rates charged by the LEC for local or intraLATA operator assisted calls at the time such call is completed.

5. That the rates charged for "0+" collect calls from confinement facilities on an interLATA basis shall be no more than the rates charged for interLATA operator assisted calls by AT&T Communications at the time such call is completed.

6. A rate structure incorporating a maximum rate level with the flexibility for downward adjustment has been previously adopted by this Commission. IN RE: Application of GTE Sprint Communications Corporations, etc., Order 84-622, issued in Docket 84-10-C on August 2, 1984. The Commission herein finds that the appropriate rate structure for the Applicants should include a maximum rate level for each tariff charge, with the restrictions of paragraphs 4 and 5 above duly incorporated.

7. That while the Commission is conscious of the need for the Applicants to adjust rates and charges timely to reflect the forces of economic competition, rate and tariff adjustments below the maximum levels should not be accomplished without notice to the Commission and to the public. The Company shall incorporate provisions for filing rate changes and publication of notice of such changes two weeks prior to the effective date of such changes, and affidavits of publication must be filed with the Commission. Any proposed increase in the maximum rate level reflected in the tariffs of the Company, which should be applicable to the general body of subscribers would constitute a general ratemaking proceeding which would be treated in accordance with the notice and

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hearing provisions of the S.C. Code Ann. Section 58-9-540 (Cum. Supp. 1990).

8. The Applicants are required to brand all calls so that they are identified as the carrier of such calls to the called party.

9. A "0+" collect call should only be completed upon affirmative acceptance of the charges from the called party.

10. Call detail information submitted by the Applicants to the LEC's for billing must include the COCOT access line number assigned to the line by the local exchange company.

11. The bill provided to the called party should provide the name of the Company and a toll-free number for contacting the Company concerning any billing or service questions.

12. The Applicants may only use such underlying carriers for the provision of intrastate interLATA telecommunications service as are certified by this Commission to provide such service and the Applicants will notify the Commission in writing as to their underlying carrier or carriers and of any change in their carrier.

13. The Applicants are subject to any applicable access charges pursuant to Commission Order No. 86-584.

14. The Applicants are required to file on a yearly basis surveillance reports with the Commission as required by Order No. 88-178 in Docket 87-483-C. The proper form for these reports should be Attachment A, attached hereto and incorporated by reference herein.

15. The Applicants should file tariffs in accordance with the

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findings and conclusions herein within 30 days of the date of this Order; such tariffs will be deemed the Applicants' maximum rates and the Applicants must file a price list of current charges.

IT IS THEREFORE ORDERED:

1. That the type of service offered by the Applicants from confinement facilities requires a certificate of public convenience and necessity.

2. That the Applicants have demonstrated a particular public need and that they are fit, willing and able to provide the requested service from confinement facilities; therefore, the Applicants are hereby granted a certificate of public convenience and necessity for the provision of "0+" interLATA, intraLATA and local automated collect calls from confinement facilities only.

3. That the rates so charged for said service are subject to the restrictions enunciated herein.

4. That local exchange companies are required to provide billing and collection services to properly certificated confinement facility "0+" providers at the applicable rate for interexchange carriers.

5. That Southern Bell's Motion to Dismiss is denied.

6. That the Commission will consider the merits of Telink's request when it revisits Docket No. 90-550-C and will make its determinations based on the evidence submitted therein.

7. That Southern Bell's Motion to Strike is denied.

8. That the hearing exhibits introduced by the Applicants will be admitted into evidence as set forth herein. The Commission

admits into evidence Hearing Exhibit Nos. 4, 5, 7, 9, 11, and 14.
The Commission takes judicial notice of the North Carolina
Utilities Commission orders submitted as Hearing Exhibit No. 12.

9. That Southern Bell's Motion for Directed Verdict is
hereby denied.

10. That Southern Bell's Motion requesting monetary penalties
against Telink and the issuance of an interrogatory is denied.

11. That Southern Bell's Motion to require the Applicants to
cease and desist from providing telecommunications service in South
Carolina is hereby denied, as is its Motion for an accounting.

12. That this Order shall remain in full force and effect
until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Margie Ames-Frazier
Chairman

ATTEST:

Malcolm J. Gallatin
Executive Director

(SEAL)

I hereby certify this document to be a true
copy of the original on file in the office
of The Public Service Commission of South
Carolina, Columbia, S. C.

Malcolm J. Gallatin
Int. Executive Director
Date 9-16-04

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS

FOR INTEREXCHANGE COMPANIES AND AOS'S

(1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING _____.

(2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING _____.

(3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS* FOR 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING _____.

*THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION, MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.

(4) PARENT'S CAPITAL STRUCTURE* AT DECEMBER 31 OR FISCAL YEAR ENDING _____.

*THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION PAYABLE), PREFERRED STOCK AND COMMON EQUITY.

(5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING DECEMBER 31 OR FISCAL YEAR ENDING _____.

(6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3 ABOVE).

BEFORE.

THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 96-245-C - ORDER NO. 97-53

JANUARY 17, 1997

IN RE: Application of Ameritel Pay Phones, Inc. for a Certificate of Public Convenience and Necessity to Provide Operator and Inmate Telecommunications Services within the State of South Carolina.	)	ORDER
	)	APPROVING
	)	CERTIFICATE
)	
)	
)	

This matter comes before the Public Service Commission of South Carolina (the "Commission") on the Application of Ameritel Pay Phones, Inc. ("APP" or the "Company") for a Certificate of Public Convenience and Necessity. The Applicant proposes to provide Collect Call Services, using store and forward technology, to inmates in institutional facilities, such as jails, prisons, correctional facilities, and penal facilities, as well as a variety of operator services to the portion of the public that uses a Company payphone in the public lobbies at such institutional facilities. APP does not seek authority to provide other telecommunications services in South Carolina. APP's Application was filed pursuant to S. C. Code Ann. Section 58-9-280, and the Regulations of the Commission.

The Commission's Executive Director instructed APP to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of APP's

DOCKET NO. 96-245-C - ORDER NO. 97-53
JANUARY 17, 1997
PAGE 2

Application and of the manner and time in which to file the appropriate pleadings for participation in these proceedings. APP complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. No Protests or Petitions to Intervene were received.

John R. Summers, Senior Vice President of APP, submitted prefiled testimony on behalf of APP. Mr. Summers stated that APP is interested in providing Inmate and Operator Services for confinement facilities in South Carolina. APP does not propose to provide residential or business services to the general public of South Carolina. Mr. Summers explained that an affirmative, positive response from the called party must be received by the Company before the calls are connected. According to Mr. Summers, APP has extensive technical and managerial experience with which to provide the services described in its Application. Mr. Summers additionally stated that APP is well qualified financially to provide its proposed services, and that the proposed services are in the public interest.

After full consideration of the applicable law, the Application, and the testimony submitted by APP, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. APP is incorporated under the laws of the state of Missouri and is licensed to do business as a foreign corporation in the State of South Carolina by the Secretary of State.

2. APP operates as a non-facilities based reseller of interexchange services and wishes to do so in South Carolina by

DOCKET NO. 96-245-C - ORDER NO. 97-53
JANUARY 17, 1997
PAGE 3

providing collect-only call capability for inmate and operator services for confinement facilities located in South Carolina, using automated Company-owned telephones.

3. APP has the experience, capability, and financial resources to provide the services as described in its Application.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to APP to provide collect-only call capability for inmate and operator services to confinement facilities in South Carolina, using automated Company owned telephones.

2. The Commission adopts a rate design for APP for its operator services which includes only maximum rate levels for each tariff charge. For intrastate interLATA ("0+") collect calls, APP may not impose a fixed operator service charge more than the intrastate charges then currently approved for AT&T Communications of the Southern States, Inc. ("AT&T"), and, for the usage portion of the call, APP may not charge more than the intrastate rates charged by AT&T at the time such call is completed. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. APP shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. APP shall file its proposed rate changes, publish its notice of

DOCKET NO. 96-245-C - ORDER NO. 97-53
JANUARY 17, 1997
PAGE 4

such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1996).

4. APP shall file its revised tariff and an accompanying price list within thirty (30) days of the date of receipt of this Order. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations.

5. APP is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers should be treated similarly to facilities-based interexchange carriers.

6. With regard to the Company's operator services, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

7. APP shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No.

DOCKET NO. 96-245-C - ORDER NO. 97-53
JANUARY 17, 1997
PAGE 5

88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.

8. APP shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If APP changes underlying carriers, it shall notify the Commission in writing.

9. With regard to the provision of inmate calling services for local and intraLATA calling, APP shall not charge rates any greater than the rates charged by the local exchange company at the time a call is placed. For interLATA calling, APP shall charge rates not greater than AT&T's charges and operator station usage rates at the time the call is placed. Additionally, automated collect calls shall only be completed with the affirmative acceptance by the called party. The Company shall not impose any property imposed fee on calls originating from inmate facilities.

10. For inmate calling service, call detailed information submitted to the local exchange company for billing purposes must include the COCOT access line and telephone number as assigned to the line by the local exchange company. Further, should APP provide the payphone equipment in confinement facilities, the Company shall obtain certifications to provide private payphone services and should request waiver of specific guidelines as required for the provision of inmate calling services.

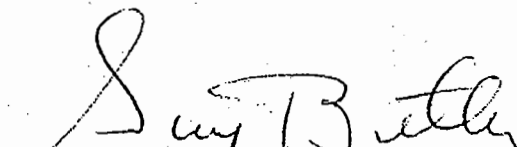
11. The Company shall, in compliance with Commission Regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level,

DOCKET NO. 96-245-C - ORDER NO. 97-53
JANUARY 17, 1997
PAGE 6

customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. APP shall file the names, addresses, and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. Further, the Company shall promptly notify the Commission in writing if the representatives are replaced, and the Company is directed to comply with the Commission regulations unless waived by the Commission.

12. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)

I hereby certify this document to be a true copy of the original on file in the office of The Public Service Commission of South Carolina, Columbia, S. C.


Executive Director

Date 9-16-04

DOCKET NO. 96-245-C - ORDER NO. 97-53
JANUARY 17, 1997
ATTACHMENT A

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS
FOR INTEREXCHANGE COMPANIES AND AOS'S

COMPANY NAME

FEI NO.

ADDRESS

CITY, STATE, ZIP CODE

PHONE NUMBER

- (1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____.
- (2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____.
- (3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS* FOR 12
MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING _____.
- * THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION
WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX,
CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.
- (4) PARENT'S CAPITAL STRUCTURE* AT DECEMBER 31 OR FISCAL YEAR
ENDING _____.
- * THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.
- (5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____.
- (6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE
AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS
WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT
(SEE #3 ABOVE).

SIGNATURE

NAME (PLEASE TYPE OF PRINT)

TITLE

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 97-444-C - ORDER NO. 98-265

APRIL 13, 1998

IN RE: Application of InVision Telecom, Inc. for	)	ORDER GRANTING
Approval of an Asset Transfer and	)	MOTION FOR
Application of Talton InVision, Inc. for a	)	EXPEDITED REVIEW,
Certificate of Public Convenience and	)	APPROVING ASSET
Necessity to Continue to Provide Inmate Pay	)	TRANSFER, AND
Telephone and Related Services.	)	GRANTING
	)	CERTIFICATE

This matter comes before the Public Service Commission of South Carolina ("the Commission") on the Application of InVision Telecom, Inc. ("InVision") and Talton InVision, Inc. ("Talton") (hereafter jointly referred to as the "Applicants") and the Motion for Expedited Review of Application filed by InVision and Talton. The Application seeks approval of an asset transfer from InVision to Talton and approval of a Certificate of Public Convenience and Necessity pursuant to which Talton may provide inmate pay telephone service and related services to jail facilities in South Carolina. The Motion for Expedited Review of Application seeks approval of the Application without the necessity of a formal hearing.

InVision is a Georgia corporation which is authorized by this Commission to provide pay telephone services and inmate telephone services in South Carolina. Talton is a Delaware corporation which is authorized by the South Carolina Secretary of State to transact business in the State of South Carolina as a foreign corporation.

By letter dated November 24, 1997, the Commission's Executive Director instructed the Applicants to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the areas affected by the Application. The purpose of the Notice of Filing was to provide notice of the Application to any interested parties and to advise interested parties of the manner and time in which to file pleadings to participate in the Docket. The Applicants filed Affidavits of Publication as proof that they had complied with the instructions of the Executive Director. No Petitions to Intervene or letters of protest were received by the Commission with regard to the instant Application.

MOTION FOR EXPEDITED REVIEW

Thereafter, the Applicants filed their Motion for Expedited Review of Application. By their motion, the Applicants state that they waive their right to a formal hearing as there is no disputed material issue of fact and assert that procedural due process requirements are satisfied in the instant Docket as notice and an opportunity for a hearing have been provided. The Applicants assert that the opportunity to present written evidence is sufficient to provide procedural due process required under the South Carolina Administrative Procedures Act ("APA"). Further, the Applicants assert that as no interested persons have requested intervention in the Docket that a formal hearing is not necessary. The Applicants request that the Commission dispose of this matter without requiring a formal hearing and request that the Commission consider this matter upon the Application and verified testimony submitted by the Applicants.

Upon consideration of the Applicants' Motion, the Commission is of the opinion and so finds that the formal hearing in this matter should be waived and that expedited

review of the application should be granted. The Commission finds that notice of the Application was properly afforded to the public and that no interested person sought to become a party to the proceeding. The Commission finds that procedural due process was afforded in this matter and further finds that the Applicants make a knowing waiver of a formal hearing. Therefore, the Commission will consider the Application in the context of its regularly scheduled weekly meeting, with court reporter present, and for purposes of the expedited review, the Commission will deem the examination of the Application and verified testimony during the course of the Commission's regularly scheduled meeting with court reporter present as a hearing on this matter.

EXAMINATION OF THE APPLICATION AND VERIFIED TESTIMONY

By the Application, the Applicants request (1) approval of an asset transfer from InVision to Talton and (2) the granting of a Certificate of Public Convenience and Necessity to Talton pursuant to which Talton may provide inmate pay telephone service and related services to jail facilities in South Carolina. In support of the Application, the Applicants filed the verified testimony of John R. Summers, Vice President/Secretary/Treasurer of Talton.

With regard to the asset transfer, the Applicants state that pursuant to an Asset Purchase Agreement negotiated by the Applicants, Talton has agreed to acquire the assets of InVision. InVision was previously authorized by this Commission to provide pay telephone services as well as inmate telephone services. See, Commission Order No. 96-412, dated June 17, 1996, in Docket No. 85-150-C and Order No. 96-262, dated June 17,

1996, in Docket No. 95-1120-C. Mr. Summers stated that Talton will acquire InVision's inmate pay telephone assets in South Carolina.

With regard to Talton's request for the issuance of a Certificate of Public Convenience and Necessity to allow Talton to provide inmate telephone services in South Carolina, Talton offers that it possesses the technological, financial, and managerial resources to provide the services for which it seeks authority. By its Application, Talton offers that it possesses the financial resources necessary to successfully provide these services for which it seeks authority. The financial documentation provided reveals that Talton is a wholly owned subsidiary of Talton Holdings, Inc. and that as of December 31, 1996, Talton Holdings, Inc. had total assets of over eighty million dollars. A review of Talton's key management personnel reveals personnel with experience in the telecommunications industry, investment banking, administration and finance, accounting, sales, marketing, finance, and network and system development. Additionally, Mr. Summers stated that Talton personnel possess the requisite experience to provide quality services in South Carolina. Mr. Summers also stated that the public would benefit by Talton's provision of services in South Carolina because InVision's current customers would continue to receive quality service from Talton. Mr. Summers further offered that Talton's service would likely promote other providers to become more efficient and to introduce service innovations of their own in order to compete effectively in the market.

Upon review and consideration of the Application, the verified testimony of Mr. Summers, and the applicable law, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. InVision is a Georgia corporation certified by this Commission to operate as a pay telephone provider and provider of inmate telephone services in South Carolina pursuant to Order No. 96-412, dated June 17, 1996, in Docket No. 85-150-C and Order No. 96-262, dated June 17, 1996, in Docket No. 95-1120-C.
2. Talton is a Delaware corporation and is authorized to transact business in South Carolina by the South Carolina Secretary of State.
3. InVision and Talton wish for Talton to acquire InVision's inmate pay telephone assets in South Carolina.
4. InVision and Talton have entered into an Asset Purchase Agreement in which Talton has agreed to acquire the assets of InVision.
5. Upon approval by the Commission, InVision's inmate pay telephone assets in South Carolina will be transferred from InVision to Talton.
6. Talton has the technological, financial, and managerial resources to provide the services for which it seeks authority, namely the provision of inmate pay telephone services.
7. Upon closing of this transaction, Talton will provide inmate telecommunications services utilizing the former assets of InVision.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission hereby determines that the transfer of assets from InVision to Talton is in the public interest, and therefore, the Commission approves the requested asset transfer as described in the Application.
2. The Commission also determines that a Certificate of Public Convenience and Necessity should be granted to Talton to provide inmate telecommunications services to jails and correctional facilities located in South Carolina.
3. The Commission adopts a rate design for Talton for its resale services which include only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).
4. Talton shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. Talton shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed

increase in the maximum rate level reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1997).

5. If it has not already done so by the date of issuance of this Order, Talton shall file its revised maximum tariff and an accompanying price list within thirty (30) days of receipt of this Order. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations.

6. Talton shall file with the Commission surveillance reports on a calendar or fiscal year basis as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A, which is attached hereto.

7. With regard to the provision of inmate calling service for local and intraLATA calling, Talton shall not charge rates any greater than the rates charged by the local exchange company at the time a call is placed. For interLATA calling, Talton shall not charge operator charges greater than AT&T's operator charges and shall not charge usage charges that are greater than AT&T's operator station usage rates at the time the call is placed. Additionally, automated collect calls shall be completed only upon affirmative acceptance by the called party. Also, Talton shall not impose any subscriber surcharges on calls originating from inmate or correctional facilities.

8. For inmate calling service, call detail information submitted to the local exchange company for billing purposes must include the PSP access line telephone number as assigned to the line by the local exchange company. Further, as Talton is

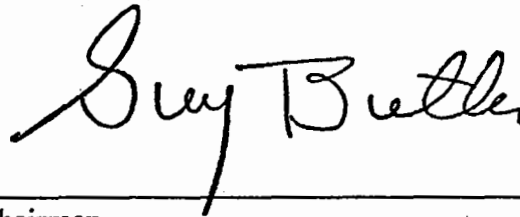
acquiring the assets of InVision, Talton will be providing the equipment in certain confinement facilities. Where Talton is providing the equipment in confinement facilities, Talton shall be granted a waiver of all Commission PSP (formerly known as COCOT) guidelines which are inconsistent with the provision of inmate telephone services, including

- (a) allowance of special blocking features to control fraud and harassment of members of the public by inmates;
- (b) allowing only automated collect calls;
- (c) blocking of calls to specific numbers;
- (d) allowance of certain calls free of charge;
- (e) limitation of duration of call;
- (f) prohibition of access to live operators, carrier of choice, and directory assistance;
- (g) exemption from providing access to outside emergency services, but the system should be configured to allow inmates to report emergencies to authorities within the facilities;
- (h) waiver of posting and operator disclosure requirements; and
- (i) waiver of the rule requiring local and intraLATA calls be routed to the local exchange company's operator.

Other than those guidelines specifically enumerated above for which a waiver is granted, Talton shall comply with all other PSP guidelines, including reporting requirements, as adopted by this Commission.

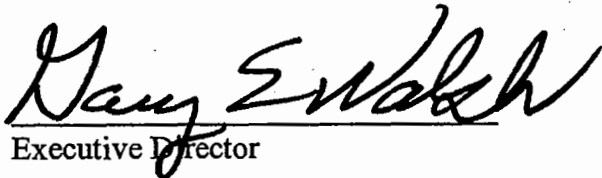
9. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Chairman

ATTEST:


Executive Director

(SEAL)

I hereby certify this document to be a true copy of the original on file in the office of The Public Service Commission of South Carolina, Columbia, S. C.


Executive Director

Date 9-16-04

DOCKET NO. 97-444-C - ORDER NO. 98-265
APRIL 13, 1998
ATTACHMENT A

**ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS
FOR INTEREXCHANGE COMPANIES AND AOS'S**

COMPANY NAME

FEI NO.

ADDRESS

CITY, STATE, ZIP CODE

PHONE NUMBER

- (1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____
- (2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____
- (3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS* FOR
12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING _____

* THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN
PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF
CONSTRUCTION AND CUSTOMER DEPOSITS.
- (4) PARENT'S CAPITAL STRUCTURE* AT DECEMBER 31 OR FISCAL YEAR ENDING

* THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.
- (5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND
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DECEMBER 31 OR FISCAL YEAR ENDING _____
- (6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE AMOUNT
OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL AS
METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3
ABOVE).

SIGNATURE

NAME (PLEASE TYPE OF PRINT)

TITLE

APPROVED FOR FILING
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DEC 08 1998

Gary E. Walsh
EXECUTIVE DIRECTOR

INMATE TELECOMMUNICATIONS SERVICES TARIFF

EVERCOM SYSTEMS, INC.

SCHEDULE OF RATES, CHARGES AND REGULATIONS

APPLYING TO INMATE

TELECOMMUNICATIONS SERVICES

WITHIN THE STATE OF SOUTH CAROLINA

EVERCOM SYSTEMS, INC.
MIKE SMITH
MANAGER OF REGULATORY AFFAIRS
8201 TRISTAR DRIVE
IRVING, TEXAS 75063

I hereby certify this document to be a true
copy of the original on file in the office
of The Public Service Commission of South
Carolina, Columbia, S. C.

[Signature]
Interim Executive Director
Date 9-16-04

TITLE PAGE

This tariff applies to intrastate telecommunications services furnished by Evercom Systems, Inc. between one or more points in the State of South Carolina. This tariff is on file with the South Carolina Public Service Commission ("Commission"), and copies may be inspected, during normal business hours, at the Company's principal place of business at 8201 Tristar Drive, Irving, Texas 75063.

APPROVED FOR FILING
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DEC 08 1998

Sandy E. Walsh
EXECUTIVE DIRECTOR

Issued:

Effective:

By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

I hereby certify this document to be a true copy of the original on file in the office of The Public Service Commission of South Carolina, Columbia, S. C.

Date

[Signature]
Interim Executive Director
9-16-04

CHECK SHEET

This tariff contains sheets 1 through 22, inclusive, each of which is effective on the date shown thereon.

<u>Sheet</u>	<u>Revision</u>
1	Original
2	First Revised*
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	First Revised*
20	First Revised*
21	Original
22	Original

APPROVED FOR FILING
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

FEB 26 2002

Gary E. Walsh

EXECUTIVE DIRECTOR

Issued: February 6, 2002

Effective: March 7, 2002

By: Mike Smith

Manager of Regulatory Affairs

Evercom Systems, Inc. I hereby certify this document to be a true
8201 Tristar Drive copy of the original on file in the office
Irving, Texas 75063 of The Public Service Commission of South
Carolina, Columbia, S. C.

[Signature]
Interim Executive Director

Date

9-16-04

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Issued:

Effective:

By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

APPROVED FOR FILING
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DEC 08 1998

Sam E. Walsh
EXECUTIVE DIRECTOR

hereby certify this document to be a true
copy of the original on file in the office
of The Public Service Commission of South
Carolina, Columbia, S. C.

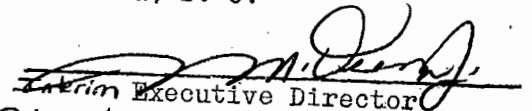
Michael J. Smith
Executive Director

ate

9-16-04

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Interim Executive Director

Date 9-16-04

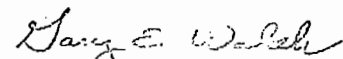
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Effective:

By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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DEC 08 1998


EXECUTIVE DIRECTOR

TARIFF FORMAT

Sheet Numbering: Sheet numbers appear in the upper right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 11 and 12 would be Sheet 11.1.

Revision Numbers: Revision numbers also appear in the upper right corner of each sheet where applicable. These numbers are used to indicate the most current sheet version on file with the South Carolina Public Service Commission (Commission). For example, 4th Revised Sheet 13 cancels 3rd Revised Sheet 13. Consult the Check Sheet for the sheets currently in effect.

Paragraph Numbering Sequence: There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2.
2.1
2.1.1
2.1.1.A
2.1.1.A.1
2.1.1.A.1.(a)
2.1.1.A.1.(a).I
2.1.1.A.1.(a).I.(i)
2.1.1.A.1.(a).I.(i).(1)

Check Sheets: When a tariff filing is made with the Commission, an updated Check Sheet is included. The Check Sheet lists the sheets contained in the tariff, with a cross reference to the current Revision Number. When new sheets are added, the Check Sheet is changed to reflect the addition. All revised sheets in a given filing are designated by an asterisk (*) on the Check Sheet. The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current on file with the Commission.

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Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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Sam E. Walsh
EXECUTIVE DIRECTOR

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Michael J. Deery
Interim Executive Director

Date 9-16-04

EXPLANATION OF SYMBOLS - CODING OF TARIFF REVISIONS

When changes are made in any tariff sheet, a revised sheet will be issued canceling the tariff sheet affected. Changes will be identified on the revised sheet(s) through the use of the following symbols:

- C - Change in Regulation, but No Change in Rate or Charge
- D - Delete or Discontinue
- I - Change Resulting in an Increase in Rate or Charge
- M - Moved from Another Tariff Location Without Change
- N - New
- R - Change Resulting in a Reduction in Rate or Charge
- T - Change in Text, but No Change in Rate or Regulation

Issued:

By: Mike Smith
Manager of Regulatory Affairs
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8201 Tristar Drive
Irving, Texas 75063

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EXECUTIVE DIRECTOR

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[Signature]
Interim Executive Director

Date 9-16-04

1. DEFINITIONS

For the purpose of this tariff, the following definitions will apply:

Collect Calls - Calls billed not to the originating telephone number, but to the called telephone number upon acceptance, via an automated interface, of the call for which charges are billed.

Commission - Used throughout this tariff to mean the South Carolina Public Service Commission.

Common Carrier - A company or entity providing telecommunications services to the public.

Company - Evercom Systems, Inc., a Delaware corporation.

Customer - The person or entity responsible for the payment of charges for services offered under this tariff.

Local Access and Transport Area (LATA) - The term "Local Access Transport Area" denotes a geographical area established by the U. S. District Court for the District of Columbia in Civil Action No. 82-0192.

Measured Charge - A charge assessed on a per minute basis in calculating the charges for a completed call. Measured Charges are specified as a rate per minute which applies to each minute, with fractional minutes of use counted as one full minute.

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By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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Harry E. Walsh
EXECUTIVE DIRECTOR

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Executive Director

te 9-16-04

Service Charge - A non-measured (fixed) charge which is added to a Measured Charge in calculating the total tariff charges due for a complete call.

Station - Any location from which calls may be placed or received.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

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By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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M. Deery
Interim Executive Director

to

9-16-04

2. APPLICATION OF TARIFF

- 2.1 This tariff contains the regulations and rates applicable to intrastate telecommunications services provided by the Company between points within the State of South Carolina. The Company's services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff.
- 2.2 The services offered by the Company subject to this tariff consist of furnishing Collect Calls through store and forward technology incorporating an automated operator and the resale of transmission services of other carriers.
- 2.3 Because the services offered hereunder are provided to inmates of a correctional facility or similar institution, special stipulations may apply. These stipulations are designed to preserve the integrity and security of the facility, the safety of the public and to reduce fraud and harassment. When deemed appropriate by the facility administration, these include: providing outward only calls; providing 0+ Collect Calls only for local, intraLATA toll and interLATA toll calls and blocking access to all other types or forms of calls; blocking access to local Directory Assistance (411), long distance Directory Assistance (555-1212), 911 calls, toll free numbers including 1-800, 700, 900, 950, 10XXX and any other telephone numbers the facility administration directs; limiting hours during which telephone service is available to inmates; and/or limiting call duration to a time interval established by the facility administration.

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Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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James E. Walsh
EXECUTIVE DIRECTOR

M. Deane
Executive Director

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9-16-04

- 2.4 Service furnished by the Company may be connected with services or facilities of other authorized Common Carriers and with private systems, subject to the technical limitations established by the Company. The services of the Company are not part of a joint undertaking with any other entity providing telecommunications channels, facilities or services, but do involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying Common Carriers who may be subject to the jurisdiction of this Commission.
- 2.5 The rates and regulations contained in this tariff apply only to the services furnished by the Company and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other Common Carrier for use in accessing the services of the Company.
- 2.6 The Company's obligation to furnish service hereunder is dependent upon its ability to secure and retain, without unreasonable expense, suitable facilities and contractual rights necessary for the provision of the service.

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By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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Darryl E. Wadell
EXECUTIVE DIRECTOR

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[Signature]
Interim Executive Director

to 9-16-04

3. GENERAL REGULATIONS**3.1 Use of Services**

- 3.1.1 The Company's services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services.
- 3.1.2 The use of the Company's services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.
- 3.1.3 The use of the Company's services without payment for service or attempting to avoid payment for service is prohibited.
- 3.1.4 The Company's services are available for use twenty-four hours per day, seven days per week, except as set forth in Section 2.3 of this tariff.
- 3.1.5 The Company does not transmit messages pursuant to this tariff, but its services may be used for that purpose.
- 3.1.6 The Company's services may be denied for nonpayment of charges or for other violations of this tariff.

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By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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EXECUTIVE DIRECTOR

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[Signature]
Executive Director

ate 9-16-04

3.2 Liability of the Company

- 3.2.1 The Company shall not be liable for loss or damage sustained by reason of any failure or breakdown of facilities associated with the Company's services or for any interruption or delay of services, whatever shall be the cause of such failure, breakdown, or interruption and whether negligent or otherwise and however long it shall last. In no event shall the Company's liability for any services exceed the charges applicable under this tariff for such service.
- 3.2.2 The Company shall be indemnified and saved harmless by any Customer or by any other entity against claims for libel, slander or the infringement of copyright arising from the material transmitted over its services; and against all other claims arising out of any act or omission of a Customer or of any other entity in connection with services provided by the Company.
- 3.2.3 The Company shall not be liable for any act or omission of any entity furnishing facilities or services connected with or provided in conjunction with the services of the Company.
- 3.2.4 The Company shall not be liable for any personal injury or death of any person or persons, or for any loss or damage sustained by reason of acts, mistakes, omissions, errors or defects in providing its services, whatever shall be the cause and whether negligent or otherwise.
- 3.2.5 The Company shall not be liable for and shall be indemnified and saved harmless by any Customer or other entity from any and all loss, claims, demands, suits, or other action or any liability whatever, whether suffered, made, instituted, or asserted by any Customer or any other entity for any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of any Customer or any other entity or any other property whether owned or controlled by the Customer or others, caused or claimed to have been caused, directly or indirectly, by any act or omission of the Customer or others or by any installation, operation,

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By: Mike Smith
Manager of Regulatory Affairs
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James E. Walsh
EXECUTIVE DIRECTOR

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Trish M. Perry
Trish M. Perry, Executive Director

ate 9-16-04

failure to operate, maintenance, removal, presence, condition, location or use of facilities or equipment provided by the Company. No agents or employees of any other entity shall be deemed to be the agents or employees of the Company.

- 3.2.6 The Company shall not be liable for any failure of performance due to causes beyond its control, including, without limitation, acts of God, fires, floods or other catastrophes, national emergencies, insurrections, riots or wars, strikes, lockouts, work stoppages or other labor difficulties, and any law, order, regulation or other action of any governing authority or agency thereof.

3.3 Responsibilities of the Customer

- 3.3.1 The Customer is responsible for payment of applicable charges set forth in this tariff.
- 3.3.2 The Customer is responsible for compliance with applicable regulations set forth in this tariff.
- 3.3.3 The Customer is responsible for establishing its identity as often as necessary during the course of a call.
- 3.3.4 The Customer is responsible for identifying the station, party, or person with whom communication is desired and/or made at the called number.

3.4 Cancellation or Interruption of Services

- 3.4.1 Without incurring liability the Company may immediately discontinue services or may withhold the provision of ordered or contracted services:
- 3.4.1.A For nonpayment of any sum due the Company for the services,
- 3.4.1.B For violation of any of the provisions of this tariff,

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By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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Sam E. Walsh
EXECUTIVE DIRECTOR

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Don M. DeLoach
Executive Director

Date 9-16-04

- 3.4.1.C For violation of any law, rule, regulation or policy of any governing authority having jurisdiction over the Company's services, or
- 3.4.1.D By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing its services.
- 3.4.2 Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of the Company's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 3.4.3 Service may be discontinued by the Company, without notice, by blocking traffic to certain countries, cities or exchanges, or by blocking calls using certain authorization codes, when the Company deems it necessary to take such action to prevent unlawful use of its services, and as set forth in Section 2.3 of this tariff. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the Customer affected, assign a new authorization code to replace the one that has been deactivated.
- 3.4.4 The Company may refuse to provide service without prior notice when the called party refuses to accept the charges or has subscribed to billed number screening, prohibiting acceptance of such calls.

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By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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Larry E. Walsh
EXECUTIVE DIRECTOR

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[Signature]
Interim Executive Director

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4. RATE DETERMINATION**4.1 Distance Measurements**

The airline mileage between two cities can be calculated using the vertical (V) and horizontal (H) coordinates of the serving wire centers associated with the Company's POP locations. The method for calculating the airline mileage is obtained by reference to AT&T's FCC Tariff according to the following formula:

$$\sqrt{\frac{(V1-V2)^2 + (H1-H2)^2}{10}}$$

In the above example, the V1 and H1 correspond to the V&H coordinates of "City 1" and V2 and H2 correspond to the V&H coordinates of "City 2."

4.2 Call Timing

Timing of each Collect Call begins when the called party accepts responsibility for the charges and ends when either party hangs up, as determined by standard industry methods in use for ascertaining answer and disconnect, including hardware answer supervision in which the LEC sends a signal to the switch or the software utilizing audio tone detection, or as determined by standard industry methods generally in use for ascertaining answer and disconnect as determined by the underlying Common Carrier for the Company's services, where answer supervision is available. The Company will not knowingly bill for uncompleted calls.

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Manager of Regulatory Affairs
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David E. Walsh
EXECUTIVE DIRECTOR

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8201 Tristar Drive
Irving, Texas 75063

Mark J. ...
Executive Director

ate 9-16-04

5. PAYMENTS AND CHARGES**5.1 Billing Arrangements**

5.1.1 Charges for services hereunder may be:

5.1.1.A billed directly by the Company,

5.1.1.B included on the Customer's regular home or business telephone bill, pursuant to billing and collection agreements established by the Company or its intermediary with the applicable telephone company.

5.1.2 When billing functions on behalf of the Company or its intermediary are performed by local exchange telephone companies or others, the payment of charge conditions and regulations of such companies and any regulations imposed upon these companies by regulatory bodies having jurisdiction apply.

5.1.3 The Company's bills are due upon receipt. Amounts not paid within 30 days from the due date of the invoice will be considered past due. Customers may be assessed a late fee on past due amounts at the maximum lawful rate under applicable state law. If a Customer presents an undue risk of nonpayment at any time, the Company may require that Customer pay its bills within a specified number of days and make such payments in cash or the equivalent of cash.

5.1.4 Customers with questions about invoices may contact the Company directly at 8201 Tristar Drive, Irving, Texas 75063. Disputes with respect to charges should be presented to the Company in writing within thirty days from the date the invoice is rendered. All billing disputes will be handled by the Company in compliance with applicable Commission Rules and Regulations. No such disputes will be considered by the company that do not fully satisfy the applicable statute of limitations.

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By: Mike Smith
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EXECUTIVE DIRECTOR

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[Signature]
Interim Executive Director

Date 9-16-04

5.1.5 In the event the Company incurs fees or expenses, including attorney's fees, in collecting or attempting to collect, any charges owed the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.

5.2 Validation of Credit

The Company reserves the right to validate the creditworthiness of Customers through available verification procedures. Where a requested billing method cannot be validated, the Company may refuse to provide service.

Services offered pursuant to this tariff are provided to inmates of correctional facilities, in accordance with institutionally authorized programs. The Company may request that facilities adopt, as part of the institutionally authorized program, terms that enable the Company to collect the charges for all inmate calls, including without limitation, the blocking of calls to certain telephone numbers when the amount charged to such telephone number exceeds a predetermined amount.

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By: Mike Smith
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EXECUTIVE DIRECTOR

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Executive Director

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5.3 Contested Charges

For consideration of any disputed charge, a Customer should submit in writing to the Company, within thirty (30) days of the date the bill is issued, the call details and bases for any requested adjustment. The Company will promptly investigate and advise the Customer as to its findings and disposition.

5.4 Returned Check Charge

A charge not to exceed the maximum charge allowed by South Carolina statute may be applied if a check or draft presented for payment of service is not accepted by the institution on which it is written.

5.5 Deposits

No advance deposits are required.

5.6 Taxes

All federal, state and local taxes (e.g., excise tax, gross receipts tax, sales tax, municipal utilities tax) for calls are billed as separate line items and are not included in the quoted rates.

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By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
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Darryl E. White
EXECUTIVE DIRECTOR

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[Signature]
Executive Director

to 9-16-04

6. CURRENT RATES AND CHARGES

This section sets forth the Company's rates and charges applicable to the Company's intrastate telecommunications service offering. Long distance charges consist of a distance and time sensitive Measured Charge, plus a non-measured (fixed) Service Charge.

6.1 InterLATA Rates and Charges

6.1.1 InterLATA Rates - All periods: \$0.55 (flat rate)

6.1.2 InterLATA Operator Service Charge: \$3.95

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FEB 26 2002

George E. White
EXECUTIVE DIRECTOR

Issued: February 6, 2002

Effective: March 7, 2002

By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.

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Irving, Texas 75063

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Interim Executive Director

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6.2 IntraLATA Rates and Charges

6.2.1 IntraLATA Rates

<u>Miles</u>	<u>Day</u>		<u>Eve/Night/Weekend</u>	
	EACH INITIAL MINUTE	ADD=L MINUTE	EACH INITIAL MINUTE	ADD=L MINUTE
0 - 10	\$.3300	\$.3300	\$.1650	\$.1650
11 - 16	.3300	.3300	.1650	.1650
17 - 22	.3300	.3300	.1650	.1650
23 - 30	.3300	.3300	.1650	.1650
31 - 40	.3300	.3300	.1650	.1650
41 - 55	.3300	.3300	.1650	.1650
56 - 70	.3300	.3300	.1650	.1650
71 - 124	.3300	.3300	.1650	.1650
125 - 196	.3300	.3300	.1650	.1650
197+	.3300	.3300	.1650	.1650

DAY: 7AM - 6PM*, Monday through Friday
 EVENING: 6PM - 12AM*, Sunday through Friday
 NIGHT/WEEKEND: 12AM - 7AM*, Monday through Friday,
 and All Day Saturday
 7AM - 6PM*, Sunday

* To, but not including.

6.2.2 IntraLATA Operator Service Charge - \$1.25

R

6.3 Local calls will be charged the applicable local call rate plus local collect surcharge for the LEC serving the facility's geographic service area (i.e. \$0.84).

Issued: February 6, 2002

Effective: March 7, 2002

By: Mike Smith
 Manager of Regulatory Affairs
 Evercom Systems, Inc.
 8201 Tristar Drive
 Irving, Texas 75063

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FEB 26 2002

Lang E. Walsh
 EXECUTIVE DIRECTOR

Mike Smith
 Executive Director

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7. [Reserved For Future Use]

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Effective:

By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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Gary E. W. W. W.
EXECUTIVE DIRECTOR

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[Signature]
Executive Director

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9-16-04

8. MARKETING OF SERVICES

As a telephone utility under the regulation of the Public Service Commission of South Carolina, the Company hereby asserts and affirms that as a reseller of intrastate telecommunications service, it will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and it will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, it will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. It understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the state of South Carolina.

Issued:**Effective:**

By: **Mike Smith**
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

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Executive Director

ate 9-16-04

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
ORIGINAL SHEET NO. 3

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Issued: May 26, 2000

Effective: June 1, 2000

By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 4

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Issued: May 26, 2000

Effective: June 1, 2000

By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC..

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 7

1. DEFINITIONS

For the purpose of this tariff, the following definitions will apply:

Authorized Code - A pre-defined series of numbers to be dialed by the Inmate User or Authorized User upon access to the Carrier's system to identify the caller and validate the caller's authorization to use the services provided. N

Authorized User - A person, firm, partnership, corporation or other entity who is authorized by the Customer to be connected to and utilize the Carrier's services under the terms and regulations of this tariff. N

Collect Calls - Calls billed not to the originating telephone number, but to the called telephone number upon acceptance, via an automated interface, of the call for which charges are billed.

Commission - Used throughout this tariff to mean the South Carolina Public Service Commission.

Common Carrier - A company or entity providing telecommunications services to the public.

Company - Evercom Systems, Inc., a Delaware corporation.

Customer - The person or entity responsible for the payment of charges for services offered under this tariff.

Debit Account - An account that is not associated with a Local Exchange Carrier business or residential access line. A Debit Account is established for an Inmate User or Authorized User with an initial prepaid balance from which charges for service provided by Carrier are deducted on a per minute, real time basis. N

Debit Card - A card issued by the Company which provides the Inmate User or Authorized User with a Debit Account, an Authorization Code, and instructions for accessing the Carrier's network. Inmate User or Authorized Users purchases usage on a set prepaid basis. N

Debit Card Call - A service whereby the Inmate User or Authorized User dials all of the digits necessary to route and bill a call placed from a location other than his/her residence or normal place of business. Service is accessed via a "1-800" or other access code dialing sequence. Usage charges for Debit Card Calls are deducted from the Inmate User's or Authorized User's Debit Account on a real time basis. N

Inmate User - A person incarcerated in a facility serviced by the Carrier who is authorized by the Customer to be connected to and utilize the Carrier's services under the terms and regulations of this tariff. N

Local Access and Transport Area (LATA) - The term "Local Access Transport Area" denotes a geographical area established by the U. S. District Court for the District of Columbia in Civil Action No. 82-0192.

Issued: May 26, 20000

Effective: June 1, 2000

By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
ORIGINAL SHEET NO. 15

4. RATE DETERMINATION**4.1 Distance Measurements**

The airline mileage between two cities can be calculated using the vertical (V) and horizontal (H) coordinates of the serving wire centers associated with the Company's POP locations. The method for calculating the airline mileage is obtained by reference to AT&T's FCC Tariff according to the following formula:

Install Equation Editor and double-
click here to view equation.

In the above example, the V1 and H1 correspond to the V&H coordinates of "City 1" and V2 and H2 correspond to the V&H coordinates of "City 2."

4.2 Call Timing

Timing of each Collect Call begins when the called party accepts responsibility for the charges and ends when either party hangs up, as determined by standard industry methods in use for ascertaining answer and disconnect, including hardware answer supervision in which the LEC sends a signal to the switch or the software utilizing audio tone detection, or as determined by standard industry methods generally in use for ascertaining answer and disconnect as determined by the underlying Common Carrier for the Company's services, where answer supervision is available. The Company will not knowingly bill for uncompleted calls.

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Effective: June 1, 2000

By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
ORIGINAL SHEET NO. 17

5.1.5 In the event the Company incurs fees or expenses, including attorney's fees, in collecting or attempting to collect, any charges owed the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.

5.2 Validation of Credit

The Company reserves the right to validate the creditworthiness of Customers through available verification procedures. Where a requested billing method cannot be validated, the Company may refuse to provide service.

Services offered pursuant to this tariff are provided to inmates of correctional facilities, in accordance with institutionally authorized programs. The Company may request that facilities adopt, as part of the institutionally authorized program, terms that enable the Company to collect the charges for all inmate calls, including without limitation, the blocking of calls to certain telephone numbers when the amount charged to such telephone number exceeds a predetermined amount.

5.3 Contested Charges

For consideration of any disputed charge, a Customer should submit in writing to the Company, within thirty (30) days of the date the bill is issued, the call details and bases for any requested adjustment. The Company will promptly investigate and advise the Customer as to its findings and disposition.

5.4 Returned Check Charge

A charge not to exceed the maximum charge allowed by South Carolina statute may be applied if a check or draft presented for payment of service is not accepted by the institution on which it is written.

5.5 Deposits

No advance deposits are required.

5.6 Taxes

All federal, state and local taxes (e.g., excise tax, gross receipts tax, sales tax, municipal utilities tax) for calls are billed as separate line items and are not included in the quoted rates.

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By: Mike Smith
Manager of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EXHIBIT "H"

DESCRIPTION OF DEBIT SERVICES

A. Inmate Debit Account Service.

Evercom's Inmate Debit Account Service ("IDAS") is a service offered by Evercom to confinement facilities that allows inmates within confinement facilities to pre-pay for the telephone calls they place over Evercom's system by depositing funds into inmate trust accounts at the confinement facility.

Evercom's IDAS works as follows. First, in order for an inmate to participate in Evercom's IDAS the confinement facility must install a specialized call monitoring platform that allows the confinement facility to monitor and measure calls placed over Evercom's system by the inmate. Currently, there are ten (10) confinement facilities in South Carolina that utilize this particular technology.

After installation of this software application, Evercom can then offer the confinement facility's inmates the ability to participate in Evercom's IDAS, if the confinement facility so chooses. Assuming that the confinement facility allows its inmates to participate in Evercom's IDAS, the inmate sets up his or her account by depositing funds into a trust account with the confinement facility. Once the account is established, the inmate receives a personal identification number ("PIN") generated by the software program which allows the inmate access to Evercom's system.

In order to place a call over Evercom's system using Evercom's IDAS, the inmate simply lifts the inmate telephone receiver and follows the prompts to place a prepaid debit account call. The inmate is asked to enter his or her PIN and then is instructed to enter the telephone number they wish to call. Assuming the inmate's PIN is valid and that the telephone number dialed is not blocked, the telephone number as dialed by the inmate is called. If the called party agrees to accept the incoming call as placed by the inmate, then the call is connected. When the call disconnects, the cost of the call is then debited from the funds existing in the inmate's trust account. The called party is not responsible for payment of the charges incurred as a result of the call placed by the inmate. The inmate pre-pays for the call. If the called party does not wish to accept the incoming call from the inmate, the called party has the option to decline the call. The call is then disconnected and no charges are deducted from the inmate's debit account for the call attempt.

B. Debit Card Service.

Evercom's Debit Card Service is a service offered by Evercom to confinement facilities that allows inmates within confinement facilities to pre-pay for the telephone calls they place over Evercom's system by using a pre-paid calling card. Unlike Evercom's IDAS, it is not necessary for the confinement facility to install special hardware in order for an inmate to place a telephone call over Evercom's system using a pre-paid calling card as issued by Evercom.

Evercom's Debit Card Services works as follows. First, in order for an inmate to place a call over Evercom's system using an Evercom pre-paid calling card, the inmate must purchase a pre-paid calling card as issued by Evercom from the confinement facility. After purchasing the pre-paid calling card, the inmate simply follows the instructions written on the back of the card in order to place a call over Evercom's system.

To place a call using an Evercom pre-paid calling card, the inmate simply lifts the inmate telephone receiver, dials "0" and then follows the voice prompts to place a prepaid card call. The inmate is then instructed to enter the PIN printed on the back of the pre-paid calling card and then to dial the telephone number that they wish to call. Assuming the PIN is valid, and that the telephone number dialed is not blocked, the telephone number as dialed by the inmate is called. If the called party accepts the call placed by the inmate, the call is connected and the cost of the call is debited from the pre-paid calling card. The called party is not responsible for payment of the charges for the connected call. The inmate pre-pays for the call. If the called party does not wish to accept the incoming call from the inmate, the called party has the option to decline the call. The call is then disconnected and no charges are deducted from the inmate's pre-paid calling card for the call attempt.

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 20.1

7. Debit Services

The Company offers the Company's Debit Services for Inmate User or Authorized User use 24 hours a day, seven days a week to all terminating locations serviced.

The Inmate User or Authorized User attains access to the Company's Debit Services via the Company's toll free debit number. The Inmate User or Authorized User must input a valid Authorization Code to access his account. After account access, the Inmate User or Authorized User inputs the destination number with area code. Usage will be debited from the available card or account. At the beginning of each call, the Inmate User or Authorized User is informed of the remaining balance on the account. If a full minute is not used prior to termination, the Inmate User or Authorized User will be charged according to the amount used. Inmate Users or Authorized Users will be interrupted with an announcement when the account balance is one minute prior to exhaustion.

Balances in debit accounts are non-refundable and will expire on the date specified on the Debit Card or Debit Card packaging. In the case of service provided without a Debit Card, account expiration occurs within one year from the date of establishment or last account renewal unless otherwise specified in writing by the Carrier.

Unlike a deposit or advance payment, the Debit Card account balance is not held against future payment, as all service is available for immediate consumption.

For Customer accounts provided with a renewal option, Customers may renew or increase the available usage balance within an account by making additional payments to the Company or the Company's authorized agents.

Debit Services Rates

Rates listed below are applicable to the Company's Debit Card Service and Inmate-only Debit Account Service. For billing purposes, call timing is rounded up to the next full minute increment after a minimum initial period of one (1) minute. No time of day, holiday or volume discounts apply. The Per Minute rates listed below are inclusive of all applicable taxes.

PER MINUTE USAGE CHARGE: \$.50

8. SmartConnect

SmartConnect is a unique, new service being introduced to the correctional facility calling industry. SmartConnect will supplement current inmate calling options by creating greater options for inmates to contact family and friends where collect calls could not be accepted.

SmartConnect operates by the Responsible Party establishing a calling account. This calling account allows the Responsible Party greater control and flexibility with calls originating at a correctional facility.

N

Issued: October 31, 2001

Effective: December 1, 2001

By: Mike Smith
Director of Regulatory Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 20.1

The SmartConnect account is created when the Responsible Party (Called Party) pays \$20 or more to the company's designated payment center. The Responsible Party is then given an account, pin number and instructions to contact the 800 number to set up all the account information.

Procedures for setting up the SmartConnect account include: pin number selection, a voice announcement, and the selection of up to 5 (five) destination numbers (the numbers that the inmate calls to reach the Responsible Party). A destination number can be a home phone, business phone, cell phone, etc.

The SmartConnect account remains open until one of the following events occurs: 1) the balance is depleted, 2) the account is inactive for 180 days, or 3) the Responsible Party requests that the account be terminated.

The Responsible Party can add to the account balance by contacting the company's designated payment center. Additionally, the Responsible Party can contact the customer service 800 for account balance information.

The inmate can call any of the destination numbers (up to five numbers) that were created by the Responsible Party. The Responsible Party has the option to accept or decline the incoming call. Prior to call completion, the Responsible Party is informed of the inmate calling and the account balance. All security measures associated with an inmate collect call, as implemented by the correctional facility, are applicable.

If the SmartConnect account has been depleted, the account is inactive, or the account is unavailable, the inmate is provided with the option to complete the call as a standard inmate collect call.

Rates for SmartConnect:

Local : \$1.07

IntraLata:	Surcharge	Per Minute
	\$1.35	\$0.22
InterLata	Surcharge	Per Minute
	2.21	\$0.28

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Irving, Texas 75063

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EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
SECOND REVISED SHEET NO. 2
REPLACES FIRST REVISED SHEET NO. 2

CHECK SHEET

This tariff contains sheets 1 through 21, inclusive, each of which is effective on the date shown thereon.

<u>Sheet</u>	<u>Revision</u>
1	Original
2	Second Revised*
3	First Revised*
4	Second Revised*
5	First Revised
6	First Revised*
7	Second Revised*
8	Second Revised*
9	First Revised
10	Original
11	Original
12	Original
13	First Revised*
14	First Revised*
15	First Revised*
16	First Revised*
17	First Revised*
18	First Revised
19	First Revised*
20	Second Revised*
21	First Revised*

* Indicates new or revised sheets

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Effective: June 11, 2004

By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
 SOUTH CAROLINA P.S.C.
 FIRST REVISED SHEET NO. 3
 REPLACES ORIGINAL SHEET NO. 3

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By: Colleen Dziuban
 Director, Governmental Affairs
 Evercom Systems, Inc.
 8201 Tristar Drive
 Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
SECOND REVISED SHEET NO. 4
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By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 6
REPLACES ORIGINAL SHEET NO. 6

EXPLANATION OF SYMBOLS – CODING OF TARIFF REVISIONS

When changes are made in any tariff sheet, a revised sheet will be issued canceling the tariff sheet affected. Changes will be identified on the revised sheet(s) through the use of the following symbols:

- C - Change in Regulation, but No Change in Rate or Charge
- D - Delete or Discontinue
- I - Change Resulting in an Increase in Rate or Charge
- M - Moved from Another Tariff Location Without Change
- N - New
- R - Change Resulting in a Reduction in Rate or Charge
- T - Change in Text, but No Change in Rate or Regulation
- Z - Correction

(N)

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By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
SECOND REVISED SHEET NO. 7
REPLACES FIRST REVISED SHEET NO. 7

1. DEFINITIONS

For the purpose of this tariff, the following definitions will apply:

Authorization Code – A pre-defined series of numbers to be dialed by the Inmate User or Authorized User upon access to the Carrier's system to identify the caller and validate the caller's authorization to use the services provided. (T)

Authorized User – A person, firm, partnership, corporation or other entity who is authorized by the Confinement Facility to be connected to and utilize the Carrier's services under the terms and regulations of this tariff. (T)

Called Party – The person, individual, corporation, or other entity whose telephone number is called by the Inmate User. Other than for Prepaid Service calls, the Called Party accepts responsibility for payment of the charges for use of the Company's services. (N)

Collect Calls – Calls billed not to the originating telephone number, but to the called telephone number upon acceptance, via an automated interface, of the call for which charges are billed.

Commission – Used throughout this tariff to mean the South Carolina Public Service Commission.

Common Carrier – A company or entity providing telecommunications services to the public.

Company – Evercom Systems, Inc., a Delaware corporation, also referred to as the Carrier. (T)

Confinement Facility – Used throughout this tariff to refer to any place designated by law for the confinement of persons held in custody under process of law, under lawful arrest or under mental treatment, including a facility for the detention of juveniles. (N)

Customer – The person or entity responsible for the payment of charges for services offered under this tariff.

Debit Account – An account that is not associated with a Local Exchange Carrier business or residential access line. A Debit Account is established for an Inmate User or Authorized User with an initial prepaid balance from which charges for service provided by Carrier are deducted on a per minute, real time basis.

Debit Card – A card issued by the Company which provides the Inmate User or Authorized User with a Debit Account, an Authorization Code, and instructions for accessing the Carrier's network. Inmate User or Authorized Users purchase usage on a set prepaid basis.

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By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
SECOND REVISED SHEET NO. 8
REPLACES FIRST REVISED SHEET NO. 8

1
C.
13
13

Debit Card Call – A service whereby the Inmate User or Authorized User dials all of the digits necessary to route and bill a call placed from a location other than his/her residence or normal place of business. Service is accessed via a "1-800" or other access code dialing sequence. Usage charges for Debit Card Calls are deducted from the Inmate User's or Authorized User's Debit Account on a real time basis. (M)

Inmate User – A person incarcerated in a facility serviced by the Carrier who is authorized by the Confinement Facility to be connected to and utilize the Carrier's services under the terms and regulations of this tariff. (M)(T)

Local Access and Transport Area (LATA) – The term "Local Access Transport Area" denotes a geographical area established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192. (M)

Measured Charge – A charge assessed on a per minute basis in calculating the charges for a completed call. Measured Charges are specified as a rate per minute which applies to each minute, with fractional minutes of use counted as one full minute.)

Service Charge – A non-measured (fixed) charge which is added to a Measured Charge in calculating the total tariff charges due to a complete call.

Station- Any location from which calls may be placed or received.

Telecommunications – The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

dated: May 13, 2004

Effective: June 11, 2004

By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 14
REPLACES ORIGINAL SHEET NO. 14

- 3.4.1.C For violation of any law, rule, regulation or policy of any governing authority having jurisdiction over the Company's services, or
- 3.4.1.D By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing its services.
- 3.4.2 Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of the Company's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 3.4.3 Service may be discontinued by the Company, without notice, by blocking traffic to certain countries, cities or exchanges, or by blocking calls using certain Authorization Codes, when the Company deems it necessary to take such action to prevent unlawful use of its services, and as set forth in Section 2.3 of this tariff. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the Inmate User affected, assign a new Authorization Code to replace the one that has been deactivated. (T)
- 3.4.4 The Company may refuse to provide service without prior notice when the Called Party refuses to accept the charges or has subscribed to billed number screening, prohibiting acceptance of such calls. (T)

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By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 15
REPLACES ORIGINAL SHEET NO. 15

4. RATE DETERMINATION

4.1 Distance Measurements

The airline mileage between two cities can be calculated using the vertical (V) and horizontal (H) coordinates of the serving wire centers associated with the Company's POP locations. The method for calculating the airline mileage is obtained by reference to AT&T's FCC Tariff according to the following formula:

$$\sqrt{\frac{(V1-V2)^2 + (H1-H2)^2}{10}}$$

(T)
|

In the above example, the V1 and H1 correspond to the V&H coordinates of "City 1" and V2 and H2 correspond to the V&H coordinates of "City 2".

4.2 Call Timing

Timing of each Collect Call begins when the Called Party accepts responsibility for the charges and ends when either party hangs up, as determined by standard industry methods in use for ascertaining answer and disconnect, including hardware answer supervision in which the LEC sends a signal to the switch or the software utilizing audio tone detection, or as determined by standard industry methods generally in use for ascertaining answer and disconnect as determined by the underlying Common Carrier for the Company's services, where answer supervision is available. The Company will not knowingly bill for uncompleted calls.

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By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 16
REPLACES ORIGINAL SHEET NO. 16

5. PAYMENTS AND CHARGES

5.1 Billing Arrangements

5.1.1 Charges for services hereunder may be:

5.1.1.A billed directly by the Company,

5.1.1.B included on the Customer's regular home or business telephone bill, pursuant to billing and collection agreements established by the Company or its intermediary with the applicable telephone company.

5.1.2 When billing functions on behalf of the Company or its intermediary are performed by local exchange telephone companies or others, the payment of charge conditions and regulations of such companies and any regulations imposed upon these companies by regulatory bodies having jurisdiction apply.

5.1.3 The Company's bills are due upon receipt. Amounts not paid within 30 days from the due date of the invoice will be considered past due. A Customer may be assessed a late fee on past due amounts at the maximum lawful rate under applicable state law. If a Customer presents an undue risk of nonpayment at any time, the Company may require that the Customer pay its bills within a specified number of days and make such payments in cash or the equivalent of cash.

5.1.4 The Called Party with questions about invoices may contact the Company directly at 8201 Tristar Drive, Irving, Texas 75063. Disputes with respect to charges should be presented to the Company in writing within thirty days from the date the invoice is rendered. All billing disputes will be handled by the Company in compliance with applicable Commission Rules and Regulations. No such disputes will be considered by the Company that do not fully satisfy the applicable statute of limitations. (T)

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Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 17
REPLACES ORIGINAL SHEET NO. 17

5.1.5 In the event the Company incurs fees or expenses, including attorney's fees, in collecting or attempting to collect, any charges owed the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.

5.2 Validation of Credit

The Company reserves the right to validate the creditworthiness of the Customer through available verification procedures. Where a requested billing method cannot be validated, the Company may refuse to provide service.

Services offered pursuant to this tariff are provided to inmates of Confinement Facilities, in accordance with institutionally authorized programs. The Company may request that facilities adopt, as part of the institutionally authorized programs, terms that enable the Company to collect the charges for all inmate calls, including without limitations, the blocking of calls to certain telephone numbers when the amount charged to such telephone number exceeds a predetermined amount. (T)

5.3 Contested Charges

For consideration of any disputed charge, the Customer should submit in writing to the Company, within thirty (30) days of the date the bill is issued, the call details and bases for any requested adjustment. The Company will promptly investigate and advise the Customer as to its findings and disposition.

5.4 Returned Check Charge

A charge not to exceed the maximum charge allowed by South Carolina statute may be applied if a check or draft presented for payment of service is not accepted by the institution on which it is written.

5.5 Deposits

No advance deposits are required.

5.6 Taxes

All federal, state and local taxes (e.g., excise tax, gross receipts tax, sales tax, municipal utilities tax) for calls are billed as separate line items and are not included in the quoted rates.

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By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 19 (Z)
REPLACES ORIGINAL SHEET NO. 19 (Z)

6.2 IntraLATA Rates and Charges

6.2.1 IntraLATA Rates

<u>Miles</u>	<u>Day</u>		<u>Eve/Night/Weekend</u>	
	EACH INITIAL MINUTE	ADD'L MINUTE	EACH INITIAL MINUTE	ADD'L MINUTE
0-10	\$.3300	\$.3300	\$.1650	\$.1650
11-16	.3300	.3300	.1650	.1650
17-22	.3300	.3300	.1650	.1650
23-30	.3300	.3300	.1650	.1650
31-40	.3300	.3300	.1650	.1650
41-55	.3300	.3300	.1650	.1650
56-70	.3300	.3300	.1650	.1650
71-124	.3300	.3300	.1650	.1650
125-196	.3300	.3300	.1650	.1650
197+	.3300	.3300	.1650	.1650
DAY:	7AM-6PM*, Monday through Friday			
EVENING:	6PM-12AM*, Sunday through Friday			
NIGHT/WEEKEND:	12AM-7AM*, Monday through Friday, and All Day Saturday 7AM-6PM*, Sunday			

* To, but not including

6.2.2 IntraLATA Operator Service Charge - \$1.25

- 6.3** Local calls will be charged the applicable local call rate plus local collect surcharge for the LEC serving the facility's geographic service area (i.e. \$0.84).

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Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
SECOND REVISED SHEET NO. 20
REPLACES FIRST REVISED SHEET NO. 20

7. DEBIT SERVICES

The Company offers the Company's Debit Services for Inmate User or Authorized User use 24 hours a day, seven days a week to all terminating locations serviced.

The Inmate User or Authorized User attains access to the Company's Debit Services via the Company's toll free number. The Inmate User or Authorized User must input a valid Authorization Code to access his account. After account access, the Inmate User or Authorized User inputs the destination number with area code. Usage will be debited from the available card or account. At the beginning of each call, the Inmate User or Authorized User is informed of the remaining balance on the account. If a full minute is not used prior to termination, the Inmate User or Authorized User will be charged according to the amount used. Inmate Users or Authorized Users will be interrupted with an announcement when the account balance is one minute prior to exhaustion.

Debit Cards are valid from one year of the date of issuance. Unused prepaid balances may be used by the Inmate User or Authorized User following release from the correctional facility only through the Company's network by dialing a special toll-free number which automatically connects the call to the Company's network. Unused prepaid balances are not refundable nor may Debit Cards be replenished upon depletion.

Unlike a deposit or advance payment, the Debit Card account balance is not held against future payment as all service is available for immediate consumption.

For Debit Accounts, the prepaid balance may be replenished by depositing funds into the account via the facility administrator. Debit Accounts are considered dormant if there is no activity for 180 days. Inactive accounts will be removed from the database. Following their release from the correctional facility, the Inmate User may request a refund from the facility administrator.

7.1. Debit Services Rates

The rates listed below are applicable to the Company's Debit Card and Debit Account Service. For billing purposes, call timing is rounded up to the next full minute increment. No time of day, holiday or volume discounts apply. The Per Minute rates listed below are inclusive of all applicable taxes.

Per minute usage rate: \$0.50

Issued: May 13, 2004

Effective: June 11, 2004

By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 21
REPLACES ORIGINAL SHEET NO. 21

8. MARKETING OF SERVICES

As a telephone utility under the regulation of the Public Service Commission of South Carolina, the Company hereby asserts and affirms that as a reseller of intrastate telecommunications service, it will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and it will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, it will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. It understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the state of South Carolina.

9. CONTRACT SERVICES

(N)

At the option of the Company, service may be offered on a contract basis to meet specialized requirements of the Confinement Facility not contemplated in this tariff. The terms of each contract shall be mutually agreed upon between the Confinement Facility and Company and may include discounts off of rates contained herein, waiver of recurring or nonrecurring charges, charges for specially designed and constructed services not contained in the Company's general service offerings, or other customized features. The terms of the contract may be based partially or completely on the term and volume commitment, type of originating or terminating access, or a mixture of services for other distinguishing features. Service shall be available to all similarly situated Confinement Facilities for a fixed period of time following the initial offering to the first Confinement Facility as specified in each individual contract.

Issued: May 13, 2004

Effective: June 11, 2004

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Evercom Systems, Inc.
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TARIFF NO. 1

SOUTH CAROLINA P.S.C.

SECOND REVISED SHEET NO. 2

REPLACES FIRST REVISED SHEET NO. 2

CHECK SHEET

This tariff contains sheets 1 through 22, inclusive, each of which is effective on the date shown thereon.

<u>Sheet</u>	<u>Revision</u>
1	Original
2	Second Revised*
3	Original
4	First Revised*
5	Original
6	Original
7	First Revised*
8	First Revised*
9	Original
10	Original
11	Original
12	Original
13	First Revised*
14	First Revised*
15	Original
16	First Revised*
17	First Revised*
18	Original
19	First Revised
20	First Revised
21	First Revised*
22	First Revised*

* Indicates new or revised sheets

Issued: November 29, 2004

Effective: December 29, 2004

By: Colleen Dziuban
Director, Governmental Affairs
Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 4
REPLACES ORIGINAL SHEET NO. 4

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Effective: December 29, 2004

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Evercom Systems, Inc.
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EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 7
REPLACES ORIGINAL SHEET NO. 7

1. DEFINITIONS

For the purpose of this tariff, the following definitions will apply:

Authorization Code – A pre-defined series of numbers to be dialed by the Inmate User or Authorized User upon access to the Carrier's system to identify the caller and validate the caller's authorization to use the services provided. (N)

Authorized User – A person, firm, partnership, corporation or other entity who is authorized by the Confinement Facility to be connected to and utilize the Carrier's services under the terms and regulations of this tariff. (N)

Called Party – The person, individual, corporation, or other entity whose telephone number is called by the Inmate User. Other than for Prepaid Service calls, the Called Party accepts responsibility for payment of the charges for use of the Company's services. (N)

Collect Calls – Calls billed not to the originating telephone number, but to the called telephone number upon acceptance, via an automated interface, of the call for which charges are billed.

Commission – Used throughout this tariff to mean the South Carolina Public Service Commission.

Common Carrier – A company or entity providing telecommunications services to the public.

Company – Evercom Systems, Inc., a Delaware corporation, also referred to as the Carrier. (T)

Confinement Facility – Used throughout this tariff to refer to any place designated by law for the confinement of persons held in custody under process of law, under lawful arrest or under mental treatment, including a facility for the detention of juveniles. (N)

Customer – The person or entity responsible for the payment of charges for services offered under this tariff.

Debit Account – An account that is not associated with a Local Exchange Carrier business or residential access line. A Debit Account is established for an Inmate User or Authorized User with an initial prepaid balance from which charges for service provided by Carrier are deducted on a per minute, real time basis. (N)

Debit Card – A card issued by the Company which provides the Inmate User or Authorized User with a Debit Account, an Authorization Code, and instructions for accessing the Carrier's network. Inmate User or Authorized Users purchase usage on a set prepaid basis. (N)

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TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 8
REPLACES ORIGINAL SHEET NO. 8

Debit Card Call – A service whereby the Inmate User or Authorized User dials all of the digits necessary to route and bill a call placed from a location other than his/her residence or normal place of business. Service is accessed via a "1-800" or other access code dialing sequence. Usage charges for Debit Card Calls are deducted from the Inmate User's or Authorized User's Debit Account on a real time basis. (N)

Inmate User – A person incarcerated in a facility serviced by the Carrier who is authorized by the Carrier's Confinement Facility to be connected to and utilize services under the terms and regulations of this tariff. (N)

Local Access and Transport Area (LATA) – The term "Local Access Transport Area" denotes a geographical area established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192. (M)

Measured Charge – A charge assessed on a per minute basis in calculating the charges for a completed call. Measured Charges are specified as a rate per minute which applies to each minute, with fractional minutes of use counted as one full minute. (M)

Service Charge – A non-measured (fixed) charge which is added to a Measured Charge in calculating the total tariff charges due to a complete call.

Station - Any location from which calls may be placed or received.

Telecommunications – The transmission of voice communications or, subject to the transmission capabilities of the services, the transmission of data, facsimile, signaling, metering, or other similar communications.

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EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 13
REPLACES ORIGINAL SHEET NO. 13

failure to operate, maintenance, removal, presence, condition, location or use of facilities or equipment provided by the Company. No agents or employees of any other entity shall be deemed to be the agents or employees of the Company.

- 3.2.6 The Company shall not be liable for any failure of performance due to causes beyond its control, including, without limitation, acts of God, fires, floods or other catastrophes, national emergencies, insurrections, riots or wars, strikes, lockouts, work stoppages or other labor difficulties, and any law, order, regulation or other action of any governing authority or agency thereof.

3.3 Responsibilities of the Customer and Inmate User (T)

- 3.3.1 Except for pre-paid service, the Customer is responsible for payment of applicable charges set forth in this tariff. (T)
- 3.3.2 The Customer is responsible for compliance with applicable regulations set forth in this tariff.
- 3.3.3 The Inmate User is responsible for establishing its identity as often as necessary during the course of a call. (T)
- 3.3.4 The Inmate User is responsible for identifying the station, party, or person with whom communication is desired and/or made at the called number.

3.4 Cancellation or Interruption of Services

- 3.4.1 Without incurring liability the Company may immediately discontinue services or may withhold the provision of ordered or contracted services:
- 3.4.1.A For nonpayment of any sum due the Company for the services.
- 3.4.1.B For violation of any of the provisions of this tariff.

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TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 14
REPLACES ORIGINAL SHEET NO. 14

- 3.4.1.C For violation of any law, rule, regulation or policy of any governing authority having jurisdiction over the Company's services, or
- 3.4.1.D By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing its services.
- 3.4.2 Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of the Company's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 3.4.3 Service may be discontinued by the Company, without notice, by blocking traffic to certain countries, cities or exchanges, or by blocking calls using certain Authorization Codes, when the Company deems it necessary to take such action to prevent unlawful use of its services, and as set forth in Section 2.3 of this tariff. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the Inmate User affected, assign a new Authorization Code to replace the one that has been deactivated. (T)
- 3.4.4 The Company may refuse to provide service without prior notice when the Called Party refuses to accept the charges or has subscribed to billed number screening, prohibiting acceptance of such calls. (T)

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EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 16
REPLACES ORIGINAL SHEET NO. 16

5. PAYMENTS AND CHARGES

5.1 Billing Arrangements

5.1.1 Charges for services hereunder may be:

5.1.1.A billed directly by the Company,

5.1.1.B included on the Customer's regular home or business telephone bill, pursuant to billing and collection agreements established by the Company or its intermediary with the applicable telephone company.

5.1.2 When billing functions on behalf of the Company or its intermediary are performed by local exchange telephone companies or others, the payment of charge conditions and regulations of such companies and any regulations imposed upon these companies by regulatory bodies having jurisdiction apply.

5.1.3 The Company's bills are due upon receipt. Amounts not paid within 30 days from the due date of the invoice will be considered past due. A Customer may be assessed a late fee on past due amounts at the maximum lawful rate under applicable state law. If a Customer presents an undue risk of nonpayment at any time, the Company may require that the Customer pay its bills within a specified number of days and make such payments in cash or the equivalent of cash.

5.1.4 The Called Party with questions about invoices may contact the Company directly at 8201 Tristar Drive, Irving, Texas 75063. Disputes with respect to charges should be presented to the Company in writing within thirty days from the date the invoice is rendered. All billing disputes will be handled by the Company in compliance with applicable Commission Rules and Regulations. No such disputes will be considered by the Company that do not fully satisfy the applicable statute of limitations. (T)

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TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 17
REPLACES ORIGINAL SHEET NO. 17

- 5.1.5 In the event the Company incurs fees or expenses, including attorney's fees, in collecting or attempting to collect, any charges owed the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.

5.2 Validation of Credit

The Company reserves the right to validate the creditworthiness of the Customer through available verification procedures. Where a requested billing method cannot be validated, the Company may refuse to provide service.

Services offered pursuant to this tariff are provided to inmates of Confinement Facilities, (T) in accordance with institutionally authorized programs. The Company may request that facilities adopt, as part of the institutionally authorized programs, terms that enable the Company to collect the charges for all inmate calls, including without limitations, the blocking of calls to certain telephone numbers when the amount charged to such telephone number exceeds a predetermined amount.

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EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 21
REPLACES ORIGINAL SHEET NO. 21

7. DEBIT SERVICES

(N)

The Company offers the Company's Debit Services for Inmate User or Authorized User use 24 hours a day, seven days a week to all terminating locations serviced.

The Inmate User or Authorized User attains access to the Company's Debit Services via the Company's toll free number. The Inmate User or Authorized User must input a valid Authorization Code to access his account. After account access, the Inmate User or Authorized User inputs the destination number with area code. Usage will be debited from the available card or account. At the beginning of each call, the Inmate User or Authorized User is informed of the remaining balance on the account. If a full minute is not used prior to termination, the Inmate User or Authorized User will be charged according to the amount used. Inmate Users or Authorized Users will be interrupted with an announcement when the account balance is one minute prior to exhaustion.

Debit Cards are valid from one year of the date of issuance. Unused prepaid balances may be used by the Inmate User or Authorized User following release from the correctional facility only through the Company's network by dialing a special toll-free number which automatically connects the call to the Company's network. Unused prepaid balances are not refundable nor may Debit Cards be replenished upon depletion.

Unlike a deposit or advance payment, the Debit Card account balance is not held against future payment as all service is available for immediate consumption.

For Debit Accounts, the prepaid balance may be replenished by depositing funds into the account via the facility administrator. Debit Accounts are considered dormant if there is no activity for 180 days. Inactive accounts will be removed from the database. Following their release from the correctional facility, the Inmate User may request a refund from the facility administrator.

7.1. Debit Services Rates

The rates listed below are applicable to the Company's Debit Card and Debit Account Service. For billing purposes, call timing is rounded up to the next full minute increment. No time of day, holiday or volume discounts apply. The Per Minute rates listed below are inclusive of all applicable taxes.

Per minute usage rate: \$0.50

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EVERCOM SYSTEMS, INC.

TARIFF NO. 1
SOUTH CAROLINA P.S.C.
FIRST REVISED SHEET NO. 22
REPLACES ORIGINAL SHEET NO. 22

8. MARKETING OF SERVICES

As a telephone utility under the regulation of the Public Service Commission of South Carolina, the Company hereby asserts and affirms that as a reseller of intrastate telecommunications service, it will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and it will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, it will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. It understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the state of South Carolina.

9. CONTRACT SERVICES

(N)

At the option of the Company, service may be offered on a contract basis to meet specialized requirements of the Confinement Facility not contemplated in this tariff. The terms of each contract shall be mutually agreed upon between the Confinement Facility and Company and may include discounts off of rates contained herein, waiver of recurring or nonrecurring charges, charges for specially designed and constructed services not contained in the Company's general service offerings, or other customized features. The terms of the contract may be based partially or completely on the term and volume commitment, type of originating or terminating access, or a mixture of services for other distinguishing features. Service shall be available to all similarly situated Confinement Facilities for a fixed period of time following the initial offering to the first Confinement Facility as specified in each individual contract.

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Evercom Systems, Inc.
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Irving, Texas 75063

SENIOR MANAGEMENT

Richard Falcone, Chief Executive Officer. Mr. Falcone became Chief Executive Officer of Evercom in October 2000. Mr. Falcone brings with him more than 30 years experience with AT&T with expertise in Sales, Marketing, Customer Service, Product Management, Information Technologies, Operations and Finance. Among other leadership roles, Mr. Falcone had responsibility for a \$3 billion P&L for the small telecom business market, and managed a 14,000-person service organization responsible for all business accounts in the United States. Prior to joining Evercom, Mr. Falcone most recently served as Vice President and General Manager for e-Enabling AT&T Business Markets Organization.

Keith S. Kelson, Chief Financial Officer. Mr. Kelson became Chief Financial Officer in March 2000. Prior to this role, Mr. Kelson served as Vice President of Finance of Evercom, Inc. since April of 1998. Mr. Kelson brings over 14 years of combined industry and public accounting experience to his position. Before joining Evercom, Mr. Kelson served as a certified public accountant in the accounting and auditing services division of Deloitte & Touche, LLP. Mr. Kelson also served in various financial capacities with subsidiaries of Kaneb Services, Inc. Mr. Kelson holds a B.B.A. in Accounting from Texas Christian University.

Robert B. Mudd, Vice President and General Manager, Correctional Billing Services and Strategic Assets. Mr. Mudd brings more than ten years of experience in the telecommunications industry to his role where he is responsible for all aspects of billing, customer care, and payment systems. During his tenure with Evercom, Mr. Mudd has served as the lead in a number of sales and service positions, including service delivery, support, and acquisition integration. Prior to joining Evercom, Mr. Mudd was Director of Operations for InVision Telecom. Mr. Mudd holds a B.A. in Education from the University of Louisville.

John J. Viola, Vice President and General Manager, Correctional Systems. Mr. Viola joined Evercom as Vice President of Sales & Marketing in November 2000. Mr. Viola brings over 25 years experience as a highly successful senior level sales, marketing and general management professional. Prior to joining Evercom, Mr. Viola served as Vice President of Sales & Marketing for a national e-commerce and connectivity company and as the General Manager for AT&T's small business group in the western United States. Mr. Viola holds an M.B.A. from Roosevelt University in Chicago, Illinois, and a B.A. in Marketing from the University of Illinois.

Randy W. Hoffman, Vice President and General Manager, Solutions. Mr. Hoffman became Vice President of Solutions Sales and Marketing of Evercom in January 2001. Mr. Hoffman brings more than 26 years of experience in the telecommunications industry with experience in sales to multiple sized customers and consumer marketing. Prior to joining Evercom, Mr. Hoffman spent 25 years with AT&T as a Vice President of Marketing for their Consumer Division and as a General Manager responsible for small business, mid-sized growth, and AT&T's largest global customers. Mr. Hoffman was a Vice President of Fairpoint Communications, a North Carolina based CLEC and he holds a B.B.A in Management from Texas Tech University.

Lee Johnson, Chief Information Officer. Mr. Johnson became CIO of Evercom in June 2001. He has more than 20 years of experience in IT, which includes 16 years with Nortel Networks. While at Nortel, Mr. Johnson served as CIO of the Wireless Access Solutions business unit and as the Primary Executive Worldwide for CRM, eMarketing, and Content Management. He led multi-million dollar initiatives in software development, CRM & ERP, business process re-engineering, IT account management, and research & development. Mr. Johnson holds a B.A. degree from Pennsylvania State University, and is a graduate of Union Carbide's three-year Executive Management Leadership Program.

Julie Hoagland, Executive Director of Human Resources and Customer Satisfaction. Ms. Hoagland has been the Executive Director of HR for Evercom since August 1999. Her career spans 12 years in human resource management in various industries, including leadership positions at Thermo-Serv, Inc., and Guardian Automotive Trim, Inc. Ms. Hoagland has a B.A. in Personnel Management and Industrial Relations from the University of North Texas and is certified as a Professional in Human Resources.

Robert Rae, Executive Director of Service. Mr. Rae joined Evercom in January 2003 and is responsible for field operations and supply chain management. Mr. Rae has 14 years of experience in the telecommunications industry leading customer service, operations, product support, and engineering. Prior to joining Evercom, Mr. Rae served as Vice President of Operations for EngineX Networks, directed product support operations at Fujitsu, and directed various service operations and strategic planning at Bell Atlantic. Mr. Rae holds an M.B.A., a B.A. in Economics and a B.A. in Psychology from the University of Pittsburgh.

Jennifer Pinckley Gaines, Vice President, General Counsel and Secretary. Ms. Gaines joined Evercom in August 2003. Prior to joining Evercom, Ms. Gaines held the position of VP, General Counsel, and Secretary at Weblink Wireless, Inc. Ms. Gaines also worked for the New York based law firm of Wilson, Elser, Moskowitz, Edelman & Dicker, L.L.P., as an associate early during her law career. Ms. Gaines brings both corporate law and litigation expertise to Evercom's staff. Ms. Gaines earned a joint B.A. in English and Communications from Baylor University and later earned her J.D. degree from the University of Tulsa.

SENIOR MANAGEMENT

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EVERCOM

Exhibit "M"

RECEIVED

NOV 29 2004

November 24, 2004

Willoughby & Hoefer, P.A.

Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

RE: General Financial Status – Evercom Systems, Inc.

Members of the Commission:

I am the Chief Financial Officer of the Applicant, its immediate parent corporation, Evercom, Inc. and its ultimate parent, Evercom Holdings, Inc. (collectively "Evercom"). As such I am thoroughly familiar with the general financial status of the Applicant.

As of June 30, 2004, Evercom's total assets were in excess of \$135 million, while its total liabilities were less than \$89 million. Operating revenue for the six-month period ending June 30, 2004 was in excess of \$126 million, with operating income in excess of \$6.4 million.

In sum, it is my opinion that Evercom is financially fit to provide the telecommunication services applied for in this docket, as an alternative form of relief.

If there are any additional questions relating to the general financial status of the Evercom, please let me know.

Sincerely yours,

Keith S. Kelson
Chief Financial Officer